

# DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

## PUBLIC AND INDIAN HOUSING PROGRAMS

### Federal Funds

#### RENTAL ASSISTANCE DEMONSTRATION

For continuing activities under the heading "Rental Assistance Demonstration" in the Department of Housing and Urban Development Appropriations Act, 2012 (Public Law 112-55), and in accordance with priorities established by the Secretary, \$10,000,000, to remain available through September 30, 2018: *Provided, That such funds shall only be available to properties converting from assistance under Section 9 of the United States Housing Act of 1937 (42 U.S.C. 1437g).*

#### Program and Financing (in millions of dollars)

Identification code 86-0406-0-1-604	2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>			
0001 RAD Incremental Conversion Cost .....			10
0100 Direct program activities, subtotal .....			10
0900 Total new obligations (object class 41.0) .....			10
<b>Budgetary Resources:</b>			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....			10
1160 Appropriation, discretionary (total) .....			10
1930 Total budgetary resources available .....			10
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3010 Obligations incurred, unexpired accounts .....			10
3050 Unpaid obligations, end of year .....			10
Memorandum (non-add) entries:			
3200 Obligated balance, end of year .....			10
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....			10
4180 Budget authority, net (total) .....			10

In 2015, the Department will continue implementation of the Rental Assistance Demonstration (RAD), authorized by the Consolidated and Further Continuing Appropriations Act of 2012 (P.L. 112-55). Under RAD, Public Housing Authorities (PHAs) and other owners of rental properties assisted under the Public Housing, Moderate Rehabilitation (Mod Rehab), Rent Supplement (Rent Supp) and Rental Assistance Payment (RAP) programs are offered the option to convert their properties to long-term, project-based Section 8 contracts that can leverage private financing for capital improvements.

While the Department will continue to process no-cost conversions in 2015, the Budget requests \$10 million for a targeted expansion of RAD to Public Housing properties that cannot feasibly convert at existing funding levels and are located in high-poverty neighborhoods, including designated Promise Zones, where the Administration is supporting comprehensive revitalization efforts. This request will cover the incremental subsidy cost of converting approximately 5,000 Public Housing units, thereby increasing private investment in targeted projects and surrounding neighborhoods.

The Budget also includes the following proposals to facilitate additional no-cost conversions of HUD-assisted properties: (1) eliminates the 60,000 unit cap on Public Housing and Section 8 Mod Rehab conversions and extends the application deadline for such conversions to September 30, 2018; (2) makes Section 8 Mod Rehab Single Room Occupancy properties eligible for RAD; (3) extends the sunset date on conversions of Rent Supp, RAP and

Mod Rehab properties under the second component of RAD to September 30, 2016; and (4) authorizes the conversion of Rent Supp and RAP properties to PBRA contracts. These proposals are included in the general provisions at the end of this budget chapter.

#### TENANT-BASED RENTAL ASSISTANCE

For activities and assistance for the provision of tenant-based rental assistance authorized under the United States Housing Act of 1937, as amended (42 U.S.C. 1437 et seq.) ("the Act" herein), not otherwise provided for, ~~[\$15,177,218,000]~~ \$16,045,000,000, to remain available until ~~[expended] September 30, 2017,~~ shall be available on October 1, ~~[2013] 2014~~ (in addition to the \$4,000,000,000 previously appropriated under this heading that became available on October 1, ~~[2013] 2014~~), and \$4,000,000,000, to remain available until ~~[expended] September 30, 2018,~~ shall be available on October 1, ~~[2014] 2015~~: *Provided, That the amounts made available under this heading are provided as follows:*

(1) ~~[\$17,365,527,000]~~ \$18,006,550,000 shall be available for renewals of expiring section 8 tenant-based annual contributions contracts (including renewals of enhanced vouchers under any provision of law authorizing such assistance under section 8(t) of the Act) and including renewal of other special purpose incremental vouchers: *Provided, That notwithstanding any other provision of law, from amounts provided under this paragraph and any carryover, the Secretary for the calendar year [2014] 2015 funding cycle shall provide renewal funding for each public housing agency based on validated voucher management system (VMS) leasing and cost data for the prior calendar year and by applying an inflation factor as established by the Secretary, by notice published in the Federal Register, and by making any necessary adjustments for the costs associated with the first-time renewal of vouchers under this paragraph including tenant protection, [and] HOPE VI, and Choice Neighborhoods vouchers: Provided further, That in determining calendar year [2014] 2015 funding allocations under this heading for public housing agencies, including agencies participating in the Moving To Work (MTW) demonstration, the Secretary may take into account the anticipated impact of changes in medical expense threshold, targeting and utility allowances, on public housing agencies' contract renewal needs: [Provided further, That none of the funds provided under this paragraph may be used to fund a total number of unit months under lease which exceeds a public housing agency's authorized level of units under contract, except for public housing agencies participating in the Moving to Work (MTW) demonstration, which are instead governed by the terms and conditions of their MTW agreements:] Provided further, That the Secretary shall, to the extent necessary to stay within the amount specified under this paragraph (except as otherwise modified under this paragraph), pro rate each public housing agency's allocation otherwise established pursuant to this paragraph: Provided further, That except as provided in the following provisos, the entire amount specified under this paragraph (except as otherwise modified under this paragraph) shall be obligated to the public housing agencies based on the allocation and pro rata method described above, and the Secretary shall notify public housing agencies of their annual budget by the latter of 60 days after enactment of this Act or March 1, [2014] 2015: Provided further, That the Secretary may extend the notification period with the [prior written approval] notification of the House and Senate Committees on Appropriations: Provided further, That public housing agencies participating in the MTW demonstration shall be funded pursuant to their MTW agreements and shall be subject to the same pro rata adjustments under the previous provisos: Provided further, That the Secretary may offset public housing agencies' calendar year [2014] 2015 allocations based on the excess amounts of public housing agencies' net restricted assets accounts, including HUD held programmatic reserves (in accordance with VMS data in calendar year [2013] 2014 that is verifiable and complete), as determined by the Secretary: Provided further, That public housing agencies participating in the MTW demonstration shall also be subject to the offset, as determined by the Secretary, from the agencies' calendar year 2015 MTW funding*

## TENANT-BASED RENTAL ASSISTANCE—Continued

*allocation: Provided further, That the Secretary shall use any offset referred to in the previous two provisos throughout the calendar year to prevent the termination of rental assistance for families as the result of insufficient funding, as determined by the Secretary, and to avoid or reduce the proration of renewal funding allocations: Provided further, That up to \$75,000,000 shall be available only: (1) for adjustments in the allocations for public housing agencies, after application for an adjustment by a public housing agency that experienced a significant increase, as determined by the Secretary, in renewal costs of vouchers resulting from unforeseen circumstances or from portability under section 8(r) of the Act; (2) for vouchers that were not in use during the 12-month period in order to be available to meet a commitment pursuant to section 8(o)(13) of the Act; (3) for adjustments for costs associated with HUD-Veterans Affairs Supportive Housing (HUD-VASH) vouchers; [and] (4) for public housing agencies that despite taking reasonable cost savings measures, as determined by the Secretary, would otherwise be required to terminate rental assistance for families as a result of insufficient funding: Provided further, That the Secretary shall allocate amounts under the previous proviso based on need, as determined by the Secretary; and (5) for adjustments in the allocations for public housing agencies that experienced a significant increase, as determined by the Secretary, in renewal costs as a result of participation in the Small Area Fair Market Rent demonstration;*

(2) **[\$130,000,000] \$150,000,000** shall be for section 8 rental assistance for relocation and replacement of housing units that are demolished or disposed of pursuant to section 18 of the Act, conversion of section 23 projects to assistance under section 8, the family unification program under section 8(x) of the Act, relocation of witnesses in connection with efforts to combat crime in public and assisted housing pursuant to a request from a law enforcement or prosecution agency, enhanced vouchers under any provision of law authorizing such assistance under section 8(t) of the Act, HOPE VI and Choice Neighborhood vouchers, mandatory and voluntary conversions, and tenant protection assistance including replacement and relocation assistance or for project-based assistance to prevent the displacement of unassisted elderly tenants currently residing in section 202 properties financed between 1959 and 1974 that are refinanced pursuant to Public Law 106–569, as amended, or under the authority as provided under this Act: *Provided, That when a public housing development is submitted for demolition or disposition under section 18 of the Act, the Secretary may provide section 8 rental assistance when the units pose an imminent health and safety risk to residents: Provided further, That the Secretary may only provide replacement vouchers for units that were occupied within the previous 24 months that cease to be available as assisted housing, subject only to the availability of funds: [Provided further, That of the amounts made available under this paragraph, \$5,000,000 may be available to provide tenant protection assistance, not otherwise provided under this paragraph, to residents residing in low vacancy areas and who may have to pay rents greater than 30 percent of household income, as the result of (1) the maturity of a HUD-insured, HUD-held or section 202 loan that requires the permission of the Secretary prior to loan prepayment; (2) the expiration of a rental assistance contract for which the tenants are not eligible for enhanced voucher or tenant protection assistance under existing law; or (3) the expiration of affordability restrictions accompanying a mortgage or preservation program administered by the Secretary: Provided further, That such tenant protection assistance made available under the previous proviso may be provided under the authority of section 8(t) or section 8(o)(13) of the United States Housing Act of 1937 (42 U.S.C. 1437f(t)): Provided further, That the Secretary shall issue guidance to implement the previous provisos, including, but not limited to, requirements for defining eligible at-risk households within 120 days of the enactment of this Act;] Provided further, That any tenant protection voucher made available from amounts under this paragraph shall not be reissued by any public housing agency, except the replacement vouchers as defined by the Secretary by notice, when the initial family that received any such voucher no longer receives such voucher, and the authority for any public housing agency to issue any such voucher shall cease to exist: Provided further, That the Secretary, for the purpose under this paragraph, may use unobligated balances, including recaptures and carryovers, remaining from amounts appropriated in prior fiscal years under this heading for*

*voucher assistance for nonelderly disabled families and for disaster assistance made available under Public Law 110–329;*

(3) **[\$1,500,000,000] \$1,705,000,000** shall be for administrative and other expenses of public housing agencies in administering the section 8 tenant-based rental assistance program, of which up to **[\$15,000,000] \$10,000,000** shall be available to the Secretary to allocate to public housing agencies that need additional funds to administer their section 8 programs, including fees associated with section 8 tenant protection rental assistance, the administration of disaster related vouchers, Veterans Affairs Supportive Housing vouchers, and other special purpose incremental vouchers: *Provided, That no less than [\$1,485,000,000] \$1,695,000,000 of the amount provided in this paragraph shall be allocated to public housing agencies for the calendar year [2014] 2015 funding cycle based on section 8(q) of the Act (and related Appropriation Act provisions) as in effect immediately before the enactment of the Quality Housing and Work Responsibility Act of 1998 (Public Law 105–276): Provided further, That if the amounts made available under this paragraph are insufficient to pay the amounts determined under the previous proviso, the Secretary may decrease the amounts allocated to agencies by a uniform percentage applicable to all agencies receiving funding under this paragraph or may, to the extent necessary to provide full payment of amounts determined under the previous proviso, utilize unobligated balances, including recaptures and carryovers, remaining from funds appropriated to the Department of Housing and Urban Development under this heading from prior fiscal years, including special purpose vouchers, notwithstanding the purposes for which such amounts were appropriated: Provided further, That all public housing agencies participating in the MTW demonstration shall be funded pursuant to their MTW agreements, and shall be subject to the same uniform percentage decrease as under the previous proviso: Provided further, That amounts provided under this paragraph shall be only for activities related to the provision of tenant-based rental assistance authorized under section 8, including related development activities;*

(4) **[\$106,691,000] \$108,450,000** for the renewal of tenant-based assistance contracts under section 811 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8013), including necessary administrative expenses: *Provided, That administrative and other expenses of public housing agencies in administering the special purpose vouchers in this paragraph shall be funded under the same terms and be subject to the same pro rata reduction as the percent decrease for administrative and other expenses to public housing agencies under paragraph (3) of this heading;*

(5) **\$75,000,000** for incremental rental voucher assistance for use through a supported housing program administered in conjunction with the Department of Veterans Affairs as authorized under section 8(o)(19) of the United States Housing Act of 1937: *Provided, That the Secretary of Housing and Urban Development shall make such funding available, notwithstanding section 204 (competition provision) of this title, to public housing agencies that partner with eligible VA Medical Centers or other entities as designated by the Secretary of the Department of Veterans Affairs, based on geographical need for such assistance as identified by the Secretary of the Department of Veterans Affairs, public housing agency administrative performance, and other factors as specified by the Secretary of Housing and Urban Development in consultation with the Secretary of the Department of Veterans Affairs: Provided further, That the Secretary of Housing and Urban Development may waive, or specify alternative requirements for (in consultation with the Secretary of the Department of Veterans Affairs), any provision of any statute or regulation that the Secretary of Housing and Urban Development administers in connection with the use of funds made available under this paragraph (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment), upon a finding by the Secretary that any such waivers or alternative requirements are necessary for the effective delivery and administration of such voucher assistance: Provided further, That assistance made available under this paragraph shall continue to remain available for homeless veterans upon turn-over: Provided further, That the Secretary may provide assistance provided under this paragraph to Indian tribes and tribally designated housing entities that are eligible to receive block grant assistance under the Native American Housing Assistance and Self-Determination Act of 1996, based on factors such as need, capacity,*

and partnership with the local VA Medical Center or other entities in collaboration with the Department of Veteran Affairs, as determined by the Secretary to provide rental assistance for the benefit of homeless Native American veterans located on a reservation or other Indian areas; and

(6) The Secretary shall separately track all special purpose vouchers funded under this heading. (*Department of Housing and Urban Development Appropriations Act, 2014.*)

**Program and Financing** (in millions of dollars)

Identification code 86-0302-0-1-604	2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>			
0001 Tenant Protection .....	84	136	150
0002 Administrative Fees .....	1,384	1,516	1,705
0003 Family Self Sufficiency Coordinators .....	4	57	.....
0006 Contract Renewals .....	16,247	17,474	17,990
0007 Rental Assistance Demonstration .....	.....	.....	70
0008 Veterans Affairs Supportive Housing Vouchers .....	68	83	75
0012 Disaster Housing Assistance Program .....	.....	.....	2
0013 Section 811 Mainstream Vouchers .....	110	136	108
0900 Total new obligations (object class 41.0) .....	17,897	19,402	20,100
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	154	225	.....
1021 Recoveries of prior year unpaid obligations .....	4	.....	.....
1050 Unobligated balance (total) .....	158	225	.....
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	14,939	15,177	16,045
1120 Appropriations transferred to other accts [86-0402] .....	.....	.....	-15
1121 Appropriations transferred from other accts [86-0304] .....	.....	.....	18
1121 Appropriations transferred from other accts [86-0163] .....	.....	.....	52
1130 Appropriations permanently reduced .....	-975	.....	.....
1160 Appropriation, discretionary (total) .....	13,964	15,177	16,100
Advance appropriations, discretionary:			
1170 Advance appropriation .....	4,000	4,000	4,000
1180 Advanced appropriation, discretionary (total) .....	4,000	4,000	4,000
1900 Budget authority (total) .....	17,964	19,177	20,100
1930 Total budgetary resources available .....	18,122	19,402	20,100
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	225	.....	.....
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	2,008	1,879	2,267
3010 Obligations incurred, unexpired accounts .....	17,897	19,402	20,100
3020 Outlays (gross) .....	-18,022	-19,014	-19,963
3040 Recoveries of prior year unpaid obligations, unexpired .....	-4	.....	.....
3050 Unpaid obligations, end of year .....	1,879	2,267	2,404
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	2,008	1,879	2,267
3200 Obligated balance, end of year .....	1,879	2,267	2,404
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	17,964	19,177	20,100
Outlays, gross:			
4010 Outlays from new discretionary authority .....	15,022	17,073	17,869
4011 Outlays from discretionary balances .....	3,000	1,941	2,094
4020 Outlays, gross (total) .....	18,022	19,014	19,963
4180 Budget authority, net (total) .....	17,964	19,177	20,100
4190 Outlays, net (total) .....	18,022	19,014	19,963

The 2015 Budget provides \$20 billion for the Tenant-Based Rental Assistance program (also known as the Housing Choice Voucher program). The Housing Choice Voucher program provides housing assistance to 2.2 million extremely low- to very low-income families to rent in the neighborhoods of their choice. This is the Federal government's largest and most income-targeted program for assisting extremely low and very low-income families to rent decent, safe and sanitary housing in the private market. About 2,350 state and local Public Housing Authorities (PHAs) administer the Housing Choice Voucher program.

The Budget provides sufficient funding for contract renewals to not only continue assistance for families anticipated to be under lease in 2014, including renewing over 14,000 vouchers for persons with disabilities, the Budget restores reductions in assisted housing units that resulted from the 2013 sequestration funding cut. In addition, the Budget includes \$75 million for 10,000 new vouchers for homeless veterans through the HUD-Veteran Affairs Supportive Housing (HUD-VASH) program that will contribute to the goal of ending homelessness among veterans by 2015. The Budget also allows HUD to allocate HUD-VASH funding to eligible, high capacity Native American Housing Block Grant recipients to specifically address needs of Native American homeless veterans on tribal lands. The Budget requests \$150 million for tenant protection vouchers (TPVs), which are provided when certain actions occur beyond the control of the residents, such as public housing demolition or disposition, or when landlords terminate their Project-Based Rental Assistance contracts. While HUD will continue to issue TPVs to protect residents from any adverse actions, the Budget requests new authority to ensure that the allocation of TPVs for housing conversions do not result in a net gain of affordable housing resources for a community that go beyond replacing vouchers for the loss of affordable units.

The Budget supports additional legislative reforms to HUD's core rental assistance programs, including: (1) Expanding the Moving to Work program to high capacity PHAs; (2) Allowing fixed-income families to recertify their incomes every three years; and (3) Increasing the threshold used to determine deductions for unreimbursed medical expenses from 3 to 10 percent of family income. In addition to these crosscutting reforms, the Budget proposes the following reforms to the Housing Choice Voucher program: (1) Improving the Project Based Voucher Program; (2) Addressing homelessness through expansion of the sponsor-based assistance model; and (3) Streamlining the process for establishing annual Fair Market Rents. The Administration also continues to improve the management of the Housing Choice Voucher program by developing the Next Generation Management System, which will overhaul and improve HUD information technology systems to better manage and administer the program. While some reforms are included in the general provisions at the end of this chapter, all others will be included in authorizing legislation to be transmitted to Congress in the Spring of 2014.

**HOUSING CERTIFICATE FUND**

(INCLUDING [RESCISSIONS] CANCELLATIONS)

Unobligated balances, including recaptures and carryover, remaining from funds appropriated to the Department of Housing and Urban Development under this heading, the heading "Annual Contributions for Assisted Housing" and the heading "Project-Based Rental Assistance", for fiscal year [2014] 2015 and prior years may be used for renewal of or amendments to section 8 project-based contracts and for performance-based contract administrators, notwithstanding the purposes for which such funds were appropriated: *Provided*, That any obligated balances of contract authority from fiscal year 1974 and prior that have been terminated [shall be rescinded] *are hereby permanently cancelled: Provided further*, That amounts heretofore recaptured, or recaptured during the current fiscal year, from section 8 project-based contracts from source years fiscal year 1975 through fiscal year 1987 are hereby [rescinded] *permanently cancelled*, and an amount of additional new budget authority, equivalent to the amount [rescinded] *permanently cancelled* is hereby appropriated, to remain available until expended, for the purposes set forth under this heading, in addition to amounts otherwise available. (*Department of Housing and Urban Development Appropriations Act, 2014.*)

## HOUSING CERTIFICATE FUND—Continued

## Program and Financing (in millions of dollars)

Identification code 86-0319-0-1-604	2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>			
0001 Contract Renewals .....		35	20
0002 Contract Administrators .....		116	
0900 Total new obligations (object class 41.0) .....		151	20
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	24	116	
1021 Recoveries of prior year unpaid obligations .....	124	41	23
1029 Other balances withdrawn .....	-32	-6	-3
1050 Unobligated balance (total) .....	116	151	20
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	81	26	15
1131 Unobligated balance of appropriations permanently reduced (HCF funds) .....	-81	-26	-15
1930 Total budgetary resources available .....	116	151	20
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	116		
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	2,130	1,527	1,311
3010 Obligations incurred, unexpired accounts .....		151	20
3020 Outlays (gross) .....	-479	-326	-199
3040 Recoveries of prior year unpaid obligations, unexpired .....	-124	-41	-23
3050 Unpaid obligations, end of year .....	1,527	1,311	1,109
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	2,130	1,527	1,311
3200 Obligated balance, end of year .....	1,527	1,311	1,109
<b>Budget authority and outlays, net:</b>			
Discretionary:			
Outlays, gross:			
4011 Outlays from discretionary balances .....	479	326	199
4190 Outlays, net (total) .....	479	326	199

Until 2005, the Housing Certificate Fund provided funding to both the project-based and tenant-based components of the Section 8 program. Project-Based Rental Assistance and Tenant-Based Rental Assistance are now funded in separate accounts. The Housing Certificate Fund retains and recovers balances from previous years' appropriations, and uses those balances to support contract renewals, amendments, and performance-based contract administrators.

## PUBLIC HOUSING CAPITAL FUND

For the Public Housing Capital Fund Program to carry out capital and management activities for public housing agencies, as authorized under section 9 of the United States Housing Act of 1937 (42 U.S.C. 1437g) (the "Act") **[\$1,875,000,000] \$1,925,000,000**, to remain available until September 30, **[2017] 2018: Provided**, That notwithstanding any other provision of law or regulation, during fiscal year **[2014] 2015** the Secretary of Housing and Urban Development may not delegate to any Department official other than the Deputy Secretary and the Assistant Secretary for Public and Indian Housing any authority under paragraph (2) of section 9(j) regarding the extension of the time periods under such section: **Provided further**, That for purposes of such section 9(j), the term "obligate" means, with respect to amounts, that the amounts are subject to a binding agreement that will result in outlays, immediately or in the future: **Provided further**, That up to \$8,000,000 shall be to support ongoing Public Housing Financial and Physical Assessment activities: **Provided further**, That up to \$5,000,000 shall be to support the costs of administrative and judicial receiverships: **Provided further**, That of the total amount provided under this heading, not to exceed \$20,000,000 shall be available for the Secretary to make grants, notwithstanding section 204 of this Act, to public housing agencies for emergency capital needs **[including safety and security measures necessary to address crime and drug-related**

activity as well as needs] resulting from unforeseen or unpreventable emergencies and natural disasters excluding Presidentially declared emergencies and natural disasters under the Robert T. Stafford Disaster Relief and Emergency Act (42 U.S.C. 5121 et seq.) occurring in fiscal year **[2014 : Provided further**, That of the total amount provided under this heading \$45,000,000 shall be for supportive services, service coordinator and congregate services as authorized by section 34 of the Act (42 U.S.C. 1437z-6) and the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4101 et seq.) **] 2015: Provided further**, That of the total amount made available under this heading, up to **[\$15,000,000] \$25,000,000** may be used for incentives as part of a Jobs-Plus Pilot initiative modeled after the Jobs-Plus demonstration: **Provided further**, That the funding provided under the previous proviso shall provide competitive grants to partnerships between public housing authorities, local workforce investment boards established under section 117 of the Workforce Investment Act of 1998, and other agencies and organizations that provide support to help public housing residents obtain employment and increase earnings: **Provided further**, That applicants must demonstrate the ability to provide services to residents, partner with workforce investment boards, and leverage service dollars: **[Provided further**, That the Secretary may set aside a portion of the funds provided for the Resident Opportunity and Self-Sufficiency program to support the services element of the Jobs-Plus Pilot initiative: **] Provided further**, That the Secretary may allow PHAs to request exemptions from rent and income limitation requirements under sections 3 and 6 of the United States Housing Act of 1937 as necessary to implement the Jobs-Plus program, on such terms and conditions as the Secretary may approve upon a finding by the Secretary that any such waivers or alternative requirements are necessary for the effective implementation of the Jobs-Plus Pilot initiative as a voluntary program for residents: **Provided further**, That the Secretary shall publish by notice in the Federal Register any waivers or alternative requirements pursuant to the preceding proviso no later than 10 days before the effective date of such notice: **Provided further**, That from the funds made available under this heading, the Secretary shall provide bonus awards in fiscal year **[2014] 2015** to public housing agencies that are designated high performers. (*Department of Housing and Urban Development Appropriations Act, 2014.*)

## Program and Financing (in millions of dollars)

Identification code 86-0304-0-1-604	2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>			
0001 Capital Grants .....	1,705	1,807	1,821
0002 Technical Assistance .....	1	1	
0003 Emergency/Disaster Reserve .....	27	28	20
0006 Resident Opportunities and Supportive Services .....	31	62	
0007 Administrative Receivership .....	3	17	5
0008 Financial and Physical Assessment Support .....	9	27	8
0010 Jobs-Plus Pilot .....		15	25
0900 Total new obligations (object class 41.0) .....	1,776	1,957	1,879
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	86	82	
1001 Discretionary unobligated balance brought fwd, Oct 1 .....	86		
1020 Adjustment of unobligated bal brought forward, Oct 1 .....	1		
1021 Recoveries of prior year unpaid obligations .....	12		
1029 Other balances withdrawn .....	-17		
1050 Unobligated balance (total) .....	82	82	
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	1,875	1,875	1,925
1120 Appropriations transferred to other accts [86-0303] .....			-18
1120 Appropriations transferred to other accts [86-0302] .....			-18
1120 Appropriations transferred to other accts [86-0402] .....			-10
1130 Appropriations permanently reduced .....	-98		
1160 Appropriation, discretionary (total) .....	1,777	1,875	1,879
Spending authority from offsetting collections, mandatory:			
1800 Collected .....	1		
1850 Spending auth from offsetting collections, mand (total) .....	1		
1900 Budget authority (total) .....	1,778	1,875	1,879
1930 Total budgetary resources available .....	1,860	1,957	1,879
Memorandum (non-add) entries:			
1940 Unobligated balance expiring .....	-2		
1941 Unexpired unobligated balance, end of year .....	82		

<b>Change in obligated balance:</b>				
Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1 .....	4,688	4,257	4,193
3001	Adjustments to unpaid obligations, brought forward, Oct 1 .....	-2		
3010	Obligations incurred, unexpired accounts .....	1,776	1,957	1,879
3011	Obligations incurred, expired accounts .....	1		
3020	Outlays (gross) .....	-2,185	-2,021	-2,231
3040	Recoveries of prior year unpaid obligations, unexpired .....	-12		
3041	Recoveries of prior year unpaid obligations, expired .....	-9		
3050	Unpaid obligations, end of year .....	4,257	4,193	3,841
Memorandum (non-add) entries:				
3100	Obligated balance, start of year .....	4,686	4,257	4,193
3200	Obligated balance, end of year .....	4,257	4,193	3,841
<b>Budget authority and outlays, net:</b>				
Discretionary:				
4000	Budget authority, gross .....	1,777	1,875	1,879
Outlays, gross:				
4010	Outlays from new discretionary authority .....	20	21	21
4011	Outlays from discretionary balances .....	2,121	2,000	2,210
4020	Outlays, gross (total) .....	2,141	2,021	2,231
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4033	Non-Federal sources .....	-2		
Additional offsets against gross budget authority only:				
4052	Offsetting collections credited to expired accounts .....	2		
4070	Budget authority, net (discretionary) .....	1,777	1,875	1,879
4080	Outlays, net (discretionary) .....	2,139	2,021	2,231
Mandatory:				
4090	Budget authority, gross .....	1		
Outlays, gross:				
4101	Outlays from mandatory balances .....	44		
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4123	Non-Federal sources .....	-1		
4180	Budget authority, net (total) .....	1,777	1,875	1,879
4190	Outlays, net (total) .....	2,182	2,021	2,231

The Budget proposes \$1.925 billion for the Public Housing Capital Fund, a formula program designed to address the capital and management improvement needs of Public Housing properties. This program preserves and enhances a valuable affordable housing resource that serves approximately 1.1 million low-income families. Of the amount requested, over \$1.8 billion will fund capital grants to Public Housing Authorities (PHAs). The balance includes: up to \$25 million for Jobs-Plus, an evidence-based strategy for increasing the employment and earnings of public housing residents; up to \$20 million for emergency capital needs resulting from non-Presidentially declared emergencies and natural disasters; up to \$8 million for financial and physical assessments of Public Housing and other HUD-assisted properties; and up to \$5 million for administrative and judicial receiverships to assist PHAs recovering from serious financial, physical, or management problems.

#### PUBLIC HOUSING OPERATING FUND

For [2014] 2015 payments to public housing agencies for the operation and management of public housing, as authorized by section 9(e) of the United States Housing Act of 1937 (42 U.S.C. 1437g(e)), [“\$4,400,000,000 : *Provided*, That in determining public housing agencies', including Moving to Work agencies', calendar year 2014 funding allocations under this heading, the Secretary shall take into account the impact of changes to flat rents on public housing agencies' formula income levels] \$4,600,000,000. (*Department of Housing and Urban Development Appropriations Act, 2014.*)

#### Program and Financing (in millions of dollars)

Identification code 86-0163-0-1-604	2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>			
0001 Operating Subsidy .....	4,058	4,399	4,486

0900	Total new obligations (object class 41.0) .....	4,058	4,399	4,486
<b>Budgetary Resources:</b>				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1 .....	7	3	
1029	Other balances withdrawn .....		-3	
1050	Unobligated balance (total) .....	7		
Budget authority:				
Appropriations, discretionary:				
1100	Appropriation .....	4,262	4,400	4,600
1120	Appropriations transferred to other accts [86-0302] .....			-52
1120	Appropriations transferred to other accts [86-0303] .....		-1	-52
1120	Appropriations transferred to other accts [86-0402] .....			-10
1130	Appropriations permanently reduced .....	-208		
1160	Appropriation, discretionary (total) .....	4,054	4,399	4,486
1900	Budget authority (total) .....	4,054	4,399	4,486
1930	Total budgetary resources available .....	4,061	4,399	4,486
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year .....	3		
<b>Change in obligated balance:</b>				
Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1 .....	1,048	1,035	1,210
3010	Obligations incurred, unexpired accounts .....	4,058	4,399	4,486
3020	Outlays (gross) .....	-4,068	-4,224	-4,462
3041	Recoveries of prior year unpaid obligations, expired .....	-3		
3050	Unpaid obligations, end of year .....	1,035	1,210	1,234
Memorandum (non-add) entries:				
3100	Obligated balance, start of year .....	1,048	1,035	1,210
3200	Obligated balance, end of year .....	1,035	1,210	1,234
<b>Budget authority and outlays, net:</b>				
Discretionary:				
4000	Budget authority, gross .....	4,054	4,399	4,486
Outlays, gross:				
4010	Outlays from new discretionary authority .....	3,032	3,189	3,252
4011	Outlays from discretionary balances .....	1,036	1,035	1,210
4020	Outlays, gross (total) .....	4,068	4,224	4,462
4180	Budget authority, net (total) .....	4,054	4,399	4,486
4190	Outlays, net (total) .....	4,068	4,224	4,462

The Budget requests \$4.6 billion for the Public Housing Operating Fund, which provides subsidies to Public Housing Authorities (PHAs) to assist in funding the operating expenses of Public Housing units in accordance with Section 9(e) of the United States Housing Act of 1937. The Budget also proposes numerous legislative reforms to HUD's core rental assistance programs, including Public Housing. In addition to crosscutting reforms, which are summarized under the Tenant-Based Rental Assistance heading, the Budget includes two proposals specific to Public Housing: (1) provides all PHAs with full flexibility to use their operating and capital funds for any eligible expense under both programs; and (2) establishes a utilities conservation pilot to encourage PHAs to undertake energy conservation measures and reduce Federal costs. The first proposal is reflected in the general provisions at the end of this budget chapter while the second proposal will be included in authorizing legislation to be submitted to Congress in the spring of 2014.

#### DRUG ELIMINATION GRANTS FOR LOW-INCOME HOUSING

##### Program and Financing (in millions of dollars)

Identification code 86-0197-0-1-604	2013 actual	2014 est.	2015 est.
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000	Unobligated balance brought forward, Oct 1 .....	1	1
1029	Other balances withdrawn .....		-1
1050	Unobligated balance (total) .....	1	
1930	Total budgetary resources available .....	1	
Memorandum (non-add) entries:			
1941	Unexpired unobligated balance, end of year .....	1	

**DRUG ELIMINATION GRANTS FOR LOW-INCOME HOUSING—Continued**  
No new appropriations have been provided for the Public Housing Drug Elimination Grants program since 2001.

**CHOICE NEIGHBORHOODS INITIATIVE**

For competitive grants [under the Choice Neighborhoods Initiative (subject to section 24 of the United States Housing Act of 1937 (42 U.S.C. 1437v), unless otherwise specified under this heading),] for transformation, rehabilitation, and replacement housing needs of both public and HUD-assisted housing and to transform neighborhoods of poverty into functioning, sustainable mixed income neighborhoods with appropriate services, schools, public assets, transportation and access to jobs, [\$90,000,000] \$120,000,000, to remain available until September 30, [2016] 2017: *Provided*, That grant funds may be used for resident and community services, community development, and affordable housing needs in the community, and for conversion of vacant or foreclosed properties to affordable housing: [Provided further, That the use of funds made available under this heading shall not be deemed to be public housing notwithstanding section 3(b)(1) of such Act:] *Provided further*, That grantees shall commit to an additional period of affordability determined by the Secretary of not fewer than 20 years: *Provided further*, That grantees shall undertake comprehensive local planning with input from residents and the community, and that grantees shall provide a match in State, local, other Federal or private funds: *Provided further*, That grantees may include local governments, tribal entities, public housing authorities, and nonprofits: *Provided further*, That for-profit developers may apply jointly with a public entity: [Provided further, That of the amount provided, not less than \$55,000,000 shall be awarded to public housing authorities] *Provided further*, That, for purposes of environmental review, a grantee shall be treated as a public housing agency under Section 26 of the United States Housing Act of 1937 (42 U.S.C 1437x), and grants under this heading shall be subject to the regulations issued by the Secretary to implement such section: *Provided further*, That such grantees shall create partnerships with other local organizations including assisted housing owners, service agencies, and resident organizations: *Provided further*, That the Secretary shall consult with the Secretaries of Education, Labor, Transportation, Health and Human Services, Agriculture, and Commerce, the Attorney General, and the Administrator of the Environmental Protection Agency to coordinate and leverage other appropriate Federal resources: [Provided further, That no more than \$5,000,000 of funds made available under this heading may be provided to assist communities in developing comprehensive strategies for implementing this program or implementing other revitalization efforts in conjunction with community notice and input: *Provided further*, That the Secretary shall develop and publish guidelines for the use of such competitive funds, including but not limited to eligible activities, program requirements, and performance metrics] *Provided further*, That unobligated balances remaining from funds appropriated under this heading and the heading "Revitalization of Severely Distressed Public Housing (HOPE VI)" in fiscal year 2014 and prior fiscal years may be used for purposes under this heading notwithstanding the purposes for which such amounts were appropriated. (Department of Housing and Urban Development Appropriations Act, 2014.)

**Program and Financing** (in millions of dollars)

Identification code 86-0349-0-1-604	2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>			
0001 Choice Neighborhoods Grants .....	118	161	164
0900 Total new obligations (object class 41.0) .....	118	161	164
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	120	116	45
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	120	90	120
1120 Appropriations transferred to other accts [86-0402] .....			-1
1130 Appropriations permanently reduced .....	-6		
1160 Appropriation, discretionary (total) .....	114	90	119
1930 Total budgetary resources available .....	234	206	164

Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	116	45	
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	1	118	243
3010 Obligations incurred, unexpired accounts .....	118	161	164
3020 Outlays (gross) .....	-1	-36	-63
3050 Unpaid obligations, end of year .....	118	243	344
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	1	118	243
3200 Obligated balance, end of year .....	118	243	344
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	114	90	119
Outlays, gross:			
4011 Outlays from discretionary balances .....	1	36	63
4180 Budget authority, net (total) .....	114	90	119
4190 Outlays, net (total) .....	1	36	63

The Budget proposes \$120 million for Choice Neighborhoods to continue the transformation of neighborhoods of concentrated poverty into sustainable, mixed-income neighborhoods with well-functioning services, schools, public assets, transportation, and access to jobs. The goal of the program is to transform distressed neighborhoods and improve the quality of life of current and future residents by coordinating and concentrating neighborhood investments from multiple sources. The Budget will fund 3-4 implementation grants and up to 20 planning grants.

Choice Neighborhoods also supports the Administration's Promise Zones initiative, which is creating partnerships between the Federal government, local communities and businesses to create jobs, increase economic activity, reduce violence and expand educational opportunities. The President announced the first five Promise Zones in January 2014 and will designate an additional 15 Zones in the year ahead. The Budget includes companion investments of \$100 million in the Department of Education's Promise Neighborhoods program and \$29.5 million in the Department of Justice's Byrne Criminal Justice Innovation Grants program, as well as tax incentives to promote investment and economic growth in the Zones.

**REVITALIZATION OF SEVERELY DISTRESSED PUBLIC HOUSING (HOPE VI)**

**Program and Financing** (in millions of dollars)

Identification code 86-0218-0-1-604	2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>			
0001 Grants and Technical Assistance .....	2		5
0900 Total new obligations (object class 41.0) .....	2		5
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	7	5	5
1930 Total budgetary resources available .....	7	5	5
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	5	5	
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	545	383	253
3010 Obligations incurred, unexpired accounts .....	2		5
3020 Outlays (gross) .....	-159	-130	-110
3041 Recoveries of prior year unpaid obligations, expired .....	-5		
3050 Unpaid obligations, end of year .....	383	253	148
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	545	383	253
3200 Obligated balance, end of year .....	383	253	148

Budget authority and outlays, net:			
Discretionary:			
Outlays, gross:			
4011 Outlays from discretionary balances .....	159	130	110
4190 Outlays, net (total) .....	159	130	110

The HOPE VI program, in coordination with funding from the Public Housing Capital Fund, has accomplished its goal of contributing to the demolition of approximately 100,000 severely distressed Public Housing units. The Budget proposes no additional funds for this program. Instead, the Budget builds on the success of HOPE VI with the Choice Neighborhoods program, which makes a broad range of transformative investments in high-poverty neighborhoods where Public Housing and other HUD-assisted housing is located.

#### FAMILY SELF-SUFFICIENCY

For the Family Self-Sufficiency program to support family self-sufficiency coordinators under section 23 of the United States Housing Act of 1937, to promote the development of local strategies to coordinate the use of assistance under sections [8(o)] 8 and 9 of such Act with public and private resources, and enable eligible families to achieve economic independence and self-sufficiency, \$75,000,000: *Provided*, That the Secretary may, by Federal Register notice, waive or specify alternative requirements under subsections b(3), b(4), b(5), or c(1) of section 23 of such Act in order for public housing agencies, owners and the Department to administer and to facilitate the operation of a unified self-sufficiency program for individuals receiving assistance under different provisions of the Act, as determined by the Secretary. (*Department of Housing and Urban Development Appropriations Act, 2014.*)

#### Program and Financing (in millions of dollars)

Identification code 86-0350-0-1-604		2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>				
0001 Family Self-Sufficiency .....		75	75	
0900 Total new obligations (object class 41.0) .....		75	75	
<b>Budgetary Resources:</b>				
Budget authority:				
Appropriations, discretionary:				
1100 Appropriation .....		75	75	
1160 Appropriation, discretionary (total) .....		75	75	
1930 Total budgetary resources available .....		75	75	
<b>Change in obligated balance:</b>				
Unpaid obligations:				
3000 Unpaid obligations, brought forward, Oct 1 .....			75	
3010 Obligations incurred, unexpired accounts .....		75	75	
3020 Outlays (gross) .....				-75
3050 Unpaid obligations, end of year .....		75	75	
Memorandum (non-add) entries:				
3100 Obligated balance, start of year .....				75
3200 Obligated balance, end of year .....		75	75	
<b>Budget authority and outlays, net:</b>				
Discretionary:				
4000 Budget authority, gross .....		75	75	
Outlays, gross:				
4011 Outlays from discretionary balances .....				75
4180 Budget authority, net (total) .....		75	75	
4190 Outlays, net (total) .....				75

The Budget requests \$75 million for a consolidated Family Self-Sufficiency (FSS) Program to help Housing Choice Voucher, Public Housing, and Project-Based Rental Assistance (PBRA) residents achieve self-sufficiency and economic independence. The newly consolidated FSS program is designed to provide service coordination through community partnerships that link assisted residents with employment assistance, job training, child care, transportation, financial literacy, and other supportive

services. The funding will be allocated through one competition to eligible Public Housing Authorities (PHAs) and PBRA owners to support service coordinators. The consolidated FSS program for Housing Choice Voucher and Public Housing families enables PHAs to more uniformly serve both programs' residents. Expanding eligibility to PBRA properties gives interested PBRA owners the ability to work with their local PHAs with existing FSS programs and/or implement their own FSS program to serve workable families in this asset-building program. In addition, opening participation to PBRA owners would support Public Housing residents already enrolled in the FSS program during conversions through the Rental Assistance Demonstration (RAD).

#### NATIVE AMERICAN HOUSING BLOCK GRANTS

For the Native American Housing Block Grants program, as authorized under title I of the Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA) (25 U.S.C. 4111 et seq.), \$650,000,000, to remain available until September 30, [2018] 2019: *Provided*, That, notwithstanding the Native American Housing Assistance and Self-Determination Act of 1996, to determine the amount of the allocation under title I of such Act for each Indian tribe, the Secretary shall apply the formula under section 302 of such Act with the need component based on single-race census data and with the need component based on multi-race census data, and the amount of the allocation for each Indian tribe shall be the greater of the two resulting allocation amounts: *Provided further*, That of the amounts made available under this heading, \$3,000,000 shall be contracted for assistance for national or regional organizations representing Native American housing interests for providing training and technical assistance to Indian housing authorities and tribally designated housing entities as authorized under NAHASDA; and \$2,000,000 shall be to support the inspection of Indian housing units, contract expertise, training, and technical assistance in the training, oversight, and management of such Indian housing and tenant-based assistance, including up to \$300,000 for related travel: *Provided further*, That of the amount provided under this heading, \$2,000,000 shall be made available for the cost of guaranteed notes and other obligations, as authorized by title VI of NAHASDA: *Provided further*, That such costs, including the costs of modifying such notes and other obligations, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That these funds are available to subsidize the total principal amount of any notes and other obligations, any part of which is to be guaranteed, not to exceed \$16,530,000: *Provided further*, That [the Department will notify grantees of their formula allocation within 60 days of the date of enactment of this Act] notwithstanding section 302(d) of NAHASDA, if on January 1, 2015, a recipient's total amount of undisbursed block grants in the Department's line of credit control system is greater than three times the formula allocation it would otherwise receive under this heading, the Secretary shall adjust that recipient's formula allocation down by the difference between its total amount of undisbursed block grants in the Department's line of credit control system on January 1, 2015, and three times the formula allocation it would otherwise receive: *Provided further*, That grant amounts not allocated to a recipient pursuant to the previous proviso shall be allocated under the need component of the formula proportionately among all other Indian tribes not subject to an adjustment: *Provided further*, That the two previous provisos shall not apply to any Indian tribe that would otherwise receive a formula allocation of less than \$5,000,000: *Provided further*, That to take effect, the three previous provisos do not require the issuance of any regulation. (*Department of Housing and Urban Development Appropriations Act, 2014.*)

#### Program and Financing (in millions of dollars)

Identification code 86-0313-0-1-604		2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>				
0010 Indian Housing Block Grants .....		616	668	645
0011 Technical Assistance .....		6	4	3
0015 National and Regional Organizations .....		2	3	2
0091 Direct program activities, subtotal .....		624	675	650

NATIVE AMERICAN HOUSING BLOCK GRANTS—Continued  
Program and Financing—Continued

Identification code 86-0313-0-1-604	2013 actual	2014 est.	2015 est.
<b>Credit program obligations:</b>			
0702 Loan guarantee subsidy .....	2	3	3
0707 Reestimates of loan guarantee subsidy .....	1	1	.....
0791 Direct program activities, subtotal .....	3	4	3
0900 Total new obligations (object class 41.0) .....	627	679	653
<b>Budgetary Resources:</b>			
<b>Unobligated balance:</b>			
1000 Unobligated balance brought forward, Oct 1 .....	45	38	9
1001 Discretionary unobligated balance brought fwd, Oct 1 .....	45	.....	.....
1021 Recoveries of prior year unpaid obligations .....	2	.....	.....
1050 Unobligated balance (total) .....	47	38	9
<b>Budget authority:</b>			
<b>Appropriations, discretionary:</b>			
1100 Appropriation .....	650	650	650
1120 Appropriations transferred to other accts [86-0402] .....	.....	.....	-3
1130 Appropriations permanently reduced .....	-34	.....	.....
1160 Appropriation, discretionary (total) .....	616	650	647
<b>Appropriations, mandatory:</b>			
1200 Appropriation .....	2	.....	.....
1260 Appropriations, mandatory (total) .....	2	.....	.....
1900 Budget authority (total) .....	618	650	647
1930 Total budgetary resources available .....	665	688	656
<b>Memorandum (non-add) entries:</b>			
1941 Unexpired unobligated balance, end of year .....	38	9	3
<b>Change in obligated balance:</b>			
<b>Unpaid obligations:</b>			
3000 Unpaid obligations, brought forward, Oct 1 .....	1,105	1,002	1,027
3010 Obligations incurred, unexpired accounts .....	627	679	653
3020 Outlays (gross) .....	-728	-654	-587
3040 Recoveries of prior year unpaid obligations, unexpired .....	-2	.....	.....
3050 Unpaid obligations, end of year .....	1,002	1,027	1,093
<b>Memorandum (non-add) entries:</b>			
3100 Obligated balance, start of year .....	1,105	1,002	1,027
3200 Obligated balance, end of year .....	1,002	1,027	1,093
<b>Budget authority and outlays, net:</b>			
<b>Discretionary:</b>			
4000 Budget authority, gross .....	616	650	647
<b>Outlays, gross:</b>			
4010 Outlays from new discretionary authority .....	218	192	191
4011 Outlays from discretionary balances .....	508	462	396
4020 Outlays, gross (total) .....	726	654	587
<b>Mandatory:</b>			
4090 Budget authority, gross .....	2	.....	.....
<b>Outlays, gross:</b>			
4100 Outlays from new mandatory authority .....	2	.....	.....
4180 Budget authority, net (total) .....	618	650	647
4190 Outlays, net (total) .....	728	654	587

## Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 86-0313-0-1-604	2013 actual	2014 est.	2015 est.
<b>Guaranteed loan levels supportable by subsidy budget authority:</b>			
215001 Title VI Indian Federal Guarantees Program .....	16	25	27
215999 Total loan guarantee levels .....	16	25	27
<b>Guaranteed loan subsidy (in percent):</b>			
232001 Title VI Indian Federal Guarantees Program .....	10.91	12.10	11.21
232999 Weighted average subsidy rate .....	10.91	12.10	11.21
<b>Guaranteed loan subsidy budget authority:</b>			
233001 Title VI Indian Federal Guarantees Program .....	2	3	3
233999 Total subsidy budget authority .....	2	3	3
<b>Guaranteed loan subsidy outlays:</b>			
234001 Title VI Indian Federal Guarantees Program .....	2	2	2
234999 Total subsidy outlays .....	2	2	2
<b>Guaranteed loan upward reestimates:</b>			
235001 Title VI Indian Federal Guarantees Program .....	2	1	.....
235999 Total upward reestimate budget authority .....	2	1	.....

Guaranteed loan downward reestimates:				
237001 Title VI Indian Federal Guarantees Program .....	-3	-2	.....	.....
237999 Total downward reestimate subsidy budget authority .....	-3	-2	.....	.....

The Budget proposes \$650 million for the Native American Housing Block Grant program. This program allocates funds on a formula basis to Indian tribes and their designated housing entities to help them address housing and other needs within their communities. In 2013, out of a population of 1.6 million American Indians and Alaska Natives in block grant formula areas, it is estimated that more than 100,000 households were either overcrowded or lacked adequate plumbing or kitchen facilities.

For several reasons, including the significant unmet needs in Indian Country, it is important that grantees spend program funds in a timely manner and avoid accumulating excessive undisbursed balances from prior-year grants. The Budget proposes to withhold funding from any grantee that, on January 1, 2015, has a total undisbursed balance greater than three times the funding allocation it would otherwise receive in 2015. This proposal will not affect grantees with funding allocations below \$5 million, and any funds withheld will be allocated among all other grantees in accordance with the need component of the formula.

The Budget also proposes several legislative reforms to improve the allocation of grant funds and strengthen program oversight, including: (1) phasing out of the formula homeownership units developed under the U.S. Housing Act of 1937; (2) strengthening HUD's authority to temporarily suspend recipients' access to grant funds to ensure the lawful expenditure of those funds; and (3) clarifying HUD's authority to take back funds distributed based on inaccurate information. These reforms will be transmitted to Congress in the spring of 2014.

Within the total amount requested, \$2 million is for the Title VI loan guarantee program. The Title VI program provides a Federal guarantee of notes or other obligations issued by Indian tribes or tribally designated housing entities for the purpose of financing affordable housing activities. Combined with \$1 million in prior-year funds, the amount requested is sufficient to guarantee \$27 million in loans.

As required by the Federal Credit Reform Act of 1990, this account records, for this program, the subsidy costs associated with the loan guarantees committed in 1992 and beyond (including modifications of guarantees that resulted from obligations in any year). The subsidy amounts are estimated on a net present value basis. The administrative expenses are shown on a cash basis.

## TITLE VI INDIAN FEDERAL GUARANTEES FINANCING ACCOUNT

## Program and Financing (in millions of dollars)

Identification code 86-4244-0-3-604	2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>			
<b>Credit program obligations:</b>			
0711 Default claim payments on principal .....	.....	1	1
0712 Default claim payments on interest .....	.....	1	1
0742 Downward reestimate paid to receipt account .....	3	2	.....
0743 Interest on downward reestimates .....	1	1	.....
0900 Total new obligations .....	4	5	2
<b>Budgetary Resources:</b>			
<b>Unobligated balance:</b>			
1000 Unobligated balance brought forward, Oct 1 .....	12	12	9
<b>Financing authority:</b>			
<b>Spending authority from offsetting collections, mandatory:</b>			
1800 Collected .....	4	2	2
1850 Spending auth from offsetting collections, mand (total) .....	4	2	2
1930 Total budgetary resources available .....	16	14	11



Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year .....	12	9	9
<b>Change in obligated balance:</b>				
Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1 .....		1	3
3010	Obligations incurred, unexpired accounts .....	4	5	2
3020	Financing disbursements (gross) .....	-3	-3	-3
3050	Unpaid obligations, end of year .....	1	3	2
Uncollected payments:				
3060	Uncollected pymts, Fed sources, brought forward, Oct 1 .....	-1	-1	-1
3090	Uncollected pymts, Fed sources, end of year .....	-1	-1	-1
Memorandum (non-add) entries:				
3100	Obligated balance, start of year .....	-1		2
3200	Obligated balance, end of year .....		2	1
<b>Financing authority and disbursements, net:</b>				
Mandatory:				
4090	Financing authority, gross .....	4	2	2
Financing disbursements:				
4110	Financing disbursements, gross .....	3	3	3
Offsets against gross financing authority and disbursements:				
Offsetting collections (collected) from:				
4120	Federal sources .....	-4	-2	-1
4122	Interest on uninvested funds .....			-1
4130	Offsets against gross financing auth and disbursements (total) .....	-4	-2	-2
4170	Financing disbursements, net (mandatory) .....	-1	1	1
4190	Financing disbursements, net (total) .....	-1	1	1

**Status of Guaranteed Loans** (in millions of dollars)

Identification code 86-4244-0-3-604				
	2013 actual	2014 est.	2015 est.	
Position with respect to appropriations act limitation on commitments:				
2111	Limitation on guaranteed loans made by private lenders .....	20	17	17
2121	Limitation available from carry-forward .....	46	50	42
2143	Uncommitted limitation carried forward .....	-50	-42	-32
2150	Total guaranteed loan commitments .....	16	25	27
2199	Guaranteed amount of guaranteed loan commitments .....	16	25	27
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year .....	135	143	154
2231	Disbursements of new guaranteed loans .....	12	18	22
2251	Repayments and prepayments .....	-4	-5	-5
2263	Adjustments: Terminations for default that result in claim payments .....		-2	-2
2290	Outstanding, end of year .....	143	154	169
Memorandum:				
2299	Guaranteed amount of guaranteed loans outstanding, end of year .....	143	154	169

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from loan guarantees committed in 1998 and beyond (including modifications of loan guarantees that resulted from commitments in any year). The amounts in this account are a means of financing and are not included in the budget totals. As required by the Federal Credit Reform Act of 1990, no administrative expenses can be recorded in the financing account.

**Balance Sheet** (in millions of dollars)

Identification code 86-4244-0-3-604			2012 actual	2013 actual
ASSETS:				
1101	Federal assets: Fund balances with Treasury .....		11	11
1999	Total assets .....		11	11
LIABILITIES:				
2204	Non-Federal liabilities: Liabilities for loan guarantees .....		11	11
4999	Total liabilities and net position .....		11	11

**NATIVE HAWAIIAN HOUSING BLOCK GRANT**

For the Native Hawaiian Housing Block Grant program, as authorized under title VIII of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4111 et seq.), **[\$10,000,000]** \$13,000,000, to remain available until expended: *Provided*, That of this amount, \$300,000 shall be for training and technical assistance activities, including up to \$100,000 for related travel by Hawaii-based employees of the Department of Housing and Urban Development. (*Department of Housing and Urban Development Appropriations Act, 2014.*)

**Program and Financing** (in millions of dollars)

Identification code 86-0235-0-1-604				
	2013 actual	2014 est.	2015 est.	
<b>Obligations by program activity:</b>				
0001	Native Hawaiian Housing Block Grant .....	12	11	13
0900	Total new obligations (object class 41.0) .....	12	11	13
<b>Budgetary Resources:</b>				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1 .....	1	1	
Budget authority:				
Appropriations, discretionary:				
1100	Appropriation .....	13	10	13
1130	Appropriations permanently reduced .....	-1		
1160	Appropriation, discretionary (total) .....	12	10	13
1930	Total budgetary resources available .....	13	11	13
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year .....	1		
<b>Change in obligated balance:</b>				
Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1 .....	52	60	63
3010	Obligations incurred, unexpired accounts .....	12	11	13
3020	Outlays (gross) .....	-4	-8	-14
3050	Unpaid obligations, end of year .....	60	63	62
Memorandum (non-add) entries:				
3100	Obligated balance, start of year .....	52	60	63
3200	Obligated balance, end of year .....	60	63	62
<b>Budget authority and outlays, net:</b>				
Discretionary:				
4000	Budget authority, gross .....	12	10	13
Outlays, gross:				
4010	Outlays from new discretionary authority .....		1	1
4011	Outlays from discretionary balances .....	4	7	13
4020	Outlays, gross (total) .....	4	8	14
4180	Budget authority, net (total) .....	12	10	13
4190	Outlays, net (total) .....	4	8	14

The Hawaiian Homelands Homeownership Act of 2000 (P.L. 106-568) amended the Native American Housing Assistance and Self-Determination Act of 1996 by adding Title VIII, which authorized the Native Hawaiian Housing Block Grant program. This program provides funds to assist and promote affordable housing activities to develop, maintain and operate affordable housing for eligible low-income Native Hawaiian families.

It authorizes annual grants to the Department of Hawaiian Home Lands (DHHL) for housing and housing-related assistance, pursuant to an annual housing plan, within the area in which DHHL is authorized to provide that assistance. DHHL uses performance measures and benchmarks that are based on the needs and priorities established in its five- and one-year housing plans. The 2015 Budget requests \$13 million for this program.

**INDIAN HOUSING LOAN GUARANTEE FUND PROGRAM ACCOUNT**

For the cost of guaranteed loans, as authorized by section 184 of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z-13a), **[\$6,000,000]** \$8,000,000, to remain available until expended: *Provided*, That such costs, including the costs of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That these funds are available to subsidize total loan principal,

INDIAN HOUSING LOAN GUARANTEE FUND PROGRAM ACCOUNT—Continued  
any part of which is to be guaranteed, up to **[\$1,818,000,000]**  
**\$1,200,000,000**, to remain available until expended: *Provided further*,  
That up to \$750,000 of this amount may be for administrative contract  
expenses including management processes and systems to carry out the  
loan guarantee program. (*Department of Housing and Urban Development*  
*Appropriations Act, 2014.*)

**Program and Financing** (in millions of dollars)

Identification code 86-0223-0-1-371	2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>			
Credit program obligations:			
0702 Loan guarantee subsidy .....	8	4	10
0707 Reestimates of loan guarantee subsidy .....	3	93	.....
0708 Interest on reestimates of loan guarantee subsidy .....	5	14	.....
0709 Administrative expenses .....	.....	4	1
0900 Total new obligations .....	16	115	11
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	2	6	4
1001 Discretionary unobligated balance brought fwd, Oct 1 .....	2	6	.....
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	12	6	8
1160 Appropriation, discretionary (total) .....	12	6	8
Appropriations, mandatory:			
1200 Appropriation .....	8	107	.....
1260 Appropriations, mandatory (total) .....	8	107	.....
1900 Budget authority (total) .....	20	113	8
1930 Total budgetary resources available .....	22	119	12
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	6	4	1
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	3	2	2
3010 Obligations incurred, unexpired accounts .....	16	115	11
3020 Outlays (gross) .....	-17	-115	-8
3050 Unpaid obligations, end of year .....	2	2	5
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	3	2	2
3200 Obligated balance, end of year .....	2	2	5
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	12	6	8
Outlays, gross:			
4010 Outlays from new discretionary authority .....	5	5	7
4011 Outlays from discretionary balances .....	4	3	1
4020 Outlays, gross (total) .....	9	8	8
Mandatory:			
4090 Budget authority, gross .....	8	107	.....
Outlays, gross:			
4100 Outlays from new mandatory authority .....	8	107	.....
4180 Budget authority, net (total) .....	20	113	8
4190 Outlays, net (total) .....	17	115	8

**Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program** (in millions of dollars)

Identification code 86-0223-0-1-371	2013 actual	2014 est.	2015 est.
Guaranteed loan levels supportable by subsidy budget authority:			
215001 Indian Housing Loan Guarantee .....	642	900	1,200
215999 Total loan guarantee levels .....	642	900	1,200
Guaranteed loan subsidy (in percent):			
232001 Indian Housing Loan Guarantee .....	1.35	0.47	0.84
232999 Weighted average subsidy rate .....	1.35	0.47	0.84
Guaranteed loan subsidy budget authority:			
233001 Indian Housing Loan Guarantee .....	9	4	10
233999 Total subsidy budget authority .....	9	4	10
Guaranteed loan subsidy outlays:			
234001 Indian Housing Loan Guarantee .....	9	3	8
234999 Total subsidy outlays .....	9	3	8

Guaranteed loan upward reestimates:			
235001 Indian Housing Loan Guarantee .....	7	107	.....
235999 Total upward reestimate budget authority .....	7	107	.....
Guaranteed loan downward reestimates:			
237001 Indian Housing Loan Guarantee .....	-12	-6	.....
237999 Total downward reestimate subsidy budget authority .....	-12	-6	.....

The Indian Housing Loan Guarantee program (also known as the Section 184 program) provides access to private mortgage financing for Indian families, Indian tribes, and their tribally designated housing entities who otherwise could not acquire such financing because of the unique legal status of Indian trust land. The Budget provides \$8 million to support additional loan guarantees and administrative systems support.

The 2013 Appropriations Act gave HUD authority to increase fees within this program, and HUD is exercising this authority in 2014 by increasing the upfront fee by 50 basis points to 1.5 percent. To ensure that budgetary resources are sufficient to meet projected demand for the program, HUD will also implement an annual fee of 15 basis points in 2015.

The Budget also includes a number of statutory changes to reduce program losses and ensure its long-term viability, including requirements for participating lenders to: (1) consider loan modification options for borrowers; and (2) indemnify HUD for insurance claims paid on any loans that are found not to meet the Department's guidelines. In addition, the Budget updates several statutory program definitions to align them with the Native American Housing Assistance and Self-Determination Act of 1996. All proposed statutory changes are included in the general provisions at the end of this budget chapter.

As required by the Federal Credit Reform Act of 1990, this account records, for this program, the subsidy costs associated with the loan guarantees committed in 1992 and beyond (including modifications of guarantees that resulted from obligations in any year). The subsidy amounts are estimated on a net present value basis. The administrative expenses are shown on a cash basis.

**Object Classification** (in millions of dollars)

Identification code 86-0223-0-1-371	2013 actual	2014 est.	2015 est.
Direct obligations:			
25.2 Other services from non-Federal sources .....	1	4	1
41.0 Grants, subsidies, and contributions .....	15	111	10
99.9 Total new obligations .....	16	115	11

**INDIAN HOUSING LOAN GUARANTEE FUND FINANCING ACCOUNT**

**Program and Financing** (in millions of dollars)

Identification code 86-4104-0-3-604	2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>			
Credit program obligations:			
0711 Default claim payments on principal .....	30	60	75
0713 Payment of interest to Treasury .....	6	3	2
0742 Downward reestimate paid to receipt account .....	12	2	.....
0743 Interest on downward reestimates .....	.....	4	.....
0900 Total new obligations .....	48	69	77
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	82	165	233
Financing authority:			
Borrowing authority, mandatory:			
1400 Borrowing authority .....	95	.....	.....
1440 Borrowing authority, mandatory (total) .....	95	.....	.....
Spending authority from offsetting collections, mandatory:			
1800 Collected .....	36	137	39

1850	Spending auth from offsetting collections, mand (total) .....	36	137	39
1900	Financing authority (total) .....	131	137	39
1930	Total budgetary resources available .....	213	302	272
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year .....	165	233	195

**Change in obligated balance:**

Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1 .....	1	2	71
3010	Obligations incurred, unexpired accounts .....	48	69	77
3020	Financing disbursements (gross) .....	-47		
3050	Unpaid obligations, end of year .....	2	71	148
Uncollected payments:				
3060	Uncollected pymts, Fed sources, brought forward, Oct 1 .....	-3	-3	-3
3090	Uncollected pymts, Fed sources, end of year .....	-3	-3	-3
Memorandum (non-add) entries:				
3100	Obligated balance, start of year .....	-2	-1	68
3200	Obligated balance, end of year .....	-1	68	145

**Financing authority and disbursements, net:**

Mandatory:				
4090	Financing authority, gross .....	131	137	39
Financing disbursements:				
4110	Financing disbursements, gross .....	47		
Offsets against gross financing authority and disbursements:				
Offsetting collections (collected) from:				
4120	Federal sources: Payments from program account .....	-16	-110	-8
4122	Interest on uninvested funds .....	-7	-11	-12
4123	Non-Federal sources .....	-13	-16	-19
4130	Offsets against gross financing auth and disbursements (total) .....	-36	-137	-39
4160	Financing authority, net (mandatory) .....	95		
4170	Financing disbursements, net (mandatory) .....	11	-137	-39
4180	Financing authority, net (total) .....	95		
4190	Financing disbursements, net (total) .....	11	-137	-39

**Status of Guaranteed Loans (in millions of dollars)**

Identification code 86-4104-0-3-604				
Position with respect to appropriations act limitation on commitments:				
2111	Limitation on guaranteed loans made by private lenders .....	976	1,818	1,200
2121	Limitation available from carry-forward .....	37	371	1,289
2143	Uncommitted limitation carried forward .....	-371	-1,289	-1,289
2150	Total guaranteed loan commitments .....	642	900	1,200
2199	Guaranteed amount of guaranteed loan commitments .....	642	900	1,200
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year .....	2,841	3,480	4,216
2231	Disbursements of new guaranteed loans .....	672	800	1,050
2251	Repayments and prepayments .....	-3	-4	-4
2263	Adjustments: Terminations for default that result in claim payments .....	-30	-60	-75
2290	Outstanding, end of year .....	3,480	4,216	5,187
Memorandum:				
2299	Guaranteed amount of guaranteed loans outstanding, end of year .....	3,480	4,216	5,187

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from the loan guarantees committed in 1992 and beyond (including modifications of loan guarantees that resulted from obligations in any year). The amounts in this account are a means of financing and are not included in the budget totals. As required by the Federal Credit Reform Act of 1990, no administrative expenses can be recorded in the financing account.

**Balance Sheet (in millions of dollars)**

Identification code 86-4104-0-3-604			
ASSETS:			
1101	Federal assets: Fund balances with Treasury .....	67	67
1504	Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable: Foreclosed property .....	19	19
1999	Total assets .....	86	86

LIABILITIES:			
2103	Federal liabilities: Debt Payable to Treasury .....	20	20
Non-Federal liabilities:			
2204	Liabilities for loan guarantees .....	48	48
2207	Unearned revenues and advances .....	18	18
2999	Total liabilities .....	86	86
4999	Total liabilities and net position .....	86	86

**NATIVE HAWAIIAN HOUSING LOAN GUARANTEE FUND PROGRAM ACCOUNT**

【For the cost of guaranteed loans, as authorized by section 184A of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z-13b) and for such costs for loans used for refinancing, \$100,000, to remain available until expended: *Provided*, That such costs, including the costs of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, up to \$18,868,000, to remain available until expended.】 (*Department of Housing and Urban Development Appropriations Act, 2014.*)

**Program and Financing (in millions of dollars)**

Identification code 86-0233-0-1-371			
Budgetary Resources:			
Unobligated balance:			
1000	Unobligated balance brought forward, Oct 1 .....	6	6
1930	Total budgetary resources available .....	6	6
Memorandum (non-add) entries:			
1941	Unexpired unobligated balance, end of year .....	6	6

**Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)**

Identification code 86-0233-0-1-371			
Guaranteed loan levels supportable by subsidy budget authority:			
215001	Native Hawaiian Housing Loan Guarantees .....	25	25
215999	Total loan guarantee levels .....	25	25
Guaranteed loan subsidy (in percent):			
232001	Native Hawaiian Housing Loan Guarantees .....	0.50	0.53
232999	Weighted average subsidy rate .....	0.50	0.53
Guaranteed loan downward reestimates:			
237001	Native Hawaiian Housing Loan Guarantees .....	-1	-2
237999	Total downward reestimate subsidy budget authority .....	-1	-2

The Native Hawaiian Housing Loan Guarantee program (also known as the Section 184A program), provides access to private mortgage financing to Native Hawaiian families who are eligible to reside on the Hawaiian Home Lands and who otherwise could not acquire such financing because of the unique legal status of the Hawaiian Home Lands. Because the program has sufficient carryover funds, the 2015 Budget does not provide any new credit subsidy budget authority.

As required by the Federal Credit Reform Act of 1990, this account records, for this program, the subsidy costs associated with the loan guarantees committed in 2001 and beyond (including modifications of guarantees that resulted from obligations in any year). The subsidy amounts are estimated on a net present value basis. The administrative expenses are shown on a cash basis.

**NATIVE HAWAIIAN HOUSING LOAN GUARANTEE FUND FINANCING ACCOUNT****Program and Financing (in millions of dollars)**

Identification code 86-4351-0-3-371			
Obligations by program activity:			
Credit program obligations:			
0711	Default claim payments on principal .....	1	1
0712	Default claim payments on interest .....	1	
0742	Downward reestimate paid to receipt account .....	1	1

NATIVE HAWAIIAN HOUSING LOAN GUARANTEE FUND FINANCING  
ACCOUNT—Continued  
Program and Financing—Continued

Identification code 86-4351-0-3-371	2013 actual	2014 est.	2015 est.
0743 Interest on downward reestimates .....		1	
0900 Total new obligations .....	2	3	1
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	2	7	5
Financing authority:			
Borrowing authority, mandatory:			
1400 Borrowing authority .....	6		3
1440 Borrowing authority, mandatory (total) .....	6		3
Spending authority from offsetting collections, mandatory:			
1800 Collected .....	1	1	1
1850 Spending auth from offsetting collections, mand (total) .....	1	1	1
1900 Financing authority (total) .....	7	1	4
1930 Total budgetary resources available .....	9	8	9
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	7	5	8
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....			3
3010 Obligations incurred, unexpired accounts .....	2	3	1
3020 Financing disbursements (gross) .....	-2		
3050 Unpaid obligations, end of year .....		3	4
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....			3
3200 Obligated balance, end of year .....		3	4
<b>Financing authority and disbursements, net:</b>			
Mandatory:			
4090 Financing authority, gross .....	7	1	4
Financing disbursements:			
4110 Financing disbursements, gross .....	2		
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4122 Interest on uninvested funds .....	-1	-1	-1
4180 Financing authority, net (total) .....	6		3
4190 Financing disbursements, net (total) .....	1	-1	-1

Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4351-0-3-371	2013 actual	2014 est.	2015 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders .....	42	19	
2121 Limitation available from carry-forward .....	1,086	1,103	1,097
2143 Uncommitted limitation carried forward .....	-1,103	-1,097	-1,072
2150 Total guaranteed loan commitments .....	25	25	25
2199 Guaranteed amount of guaranteed loan commitments .....	25	25	25
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year .....	69	84	102
2231 Disbursements of new guaranteed loans .....	15	19	19
2263 Adjustments: Terminations for default that result in claim payments .....		-1	-1
2290 Outstanding, end of year .....	84	102	120
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year .....	84	102	120
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year .....			
2390 Outstanding, end of year .....			

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the government resulting from the loan guarantees committed in 2001 and beyond (including modifications of loan guarantees that resulted

from obligations in any year). The amounts in this account are a means of financing and are not included in the budget totals. As required by the Federal Credit Reform Act of 1990, no administrative expenses can be recorded in the financing account.

Balance Sheet (in millions of dollars)

Identification code 86-4351-0-3-371	2012 actual	2013 actual
<b>ASSETS:</b>		
1101 Federal assets: Fund balances with Treasury .....	1	1
1999 Total assets .....	1	1
<b>LIABILITIES:</b>		
2204 Non-Federal liabilities: Liabilities for loan guarantees .....	1	1
4999 Total liabilities and net position .....	1	1

COMMUNITY PLANNING AND DEVELOPMENT

Federal Funds

HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS

For carrying out the Housing Opportunities for Persons with AIDS program, as authorized by the AIDS Housing Opportunity Act (42 U.S.C. 12901 et seq.), **[\$330,000,000,] \$332,000,000**, to remain available until September 30, **[2015] 2016**, except that amounts allocated pursuant to section 854(c)(3) of such Act shall remain available until September 30, **[2016] 2017: Provided**, That the Secretary shall renew all expiring contracts for permanent supportive housing that initially were funded under section 854(c)(3) of such Act from funds made available under this heading in fiscal year 2010 and prior fiscal years that meet all program requirements before awarding funds for new contracts under **[each] such section**, and if amounts provided under this heading pursuant to such section are insufficient to fund renewals for all such expiring contracts, then amounts made available under this heading for formula grants pursuant to section 854(c)(1) shall be used to provide the balance of such renewal funding before awarding funds for such formula grants: *Provided further*, That the Department shall notify grantees of their formula allocation within 60 days of enactment of this Act **]. (Department of Housing and Urban Development Appropriations Act, 2014.)**

Program and Financing (in millions of dollars)

Identification code 86-0308-0-1-604	2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>			
0001 HOPWA Formula Grants .....	270	306	297
0002 HOPWA Competitive Grants .....	32	33	33
0900 Total new obligations (object class 41.0) .....	302	339	330
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	71	83	74
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	332	330	332
1120 Appropriations transferred to other accts [86-0308] .....	-31	-33	-33
1120 Appropriations transferred to other accts [86-0402] .....			-2
1121 Appropriations transferred from other accts [86-0308] .....	31	33	33
1130 Appropriations permanently reduced .....	-18		
1160 Appropriation, discretionary (total) .....	314	330	330
1930 Total budgetary resources available .....	385	413	404
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	83	74	74
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	485	479	496
3010 Obligations incurred, unexpired accounts .....	302	339	330
3020 Outlays (gross) .....	-307	-322	-318
3041 Recoveries of prior year unpaid obligations, expired .....	-1		
3050 Unpaid obligations, end of year .....	479	496	508
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	485	479	496
3200 Obligated balance, end of year .....	479	496	508

Budget authority and outlays, net:			
Discretionary:			
4000	Budget authority, gross .....	314	330
	Outlays, gross:		
4010	Outlays from new discretionary authority .....	1	3
4011	Outlays from discretionary balances .....	306	319
4020	Outlays, gross (total) .....	307	322
4180	Budget authority, net (total) .....	314	330
4190	Outlays, net (total) .....	307	322

The 2015 Budget provides \$332 million for the Housing Opportunities for Persons with AIDS (HOPWA) program, the only Federal program dedicated to address the housing needs of low-income Americans living with HIV and AIDS. HOPWA funding provides States and localities with resources to devise long-term comprehensive strategies for planning and providing housing and supportive services to meet the housing needs of persons living with HIV and AIDS and their families. HOPWA funds have been demonstrated to help reduce the risk of homelessness, increase housing stability, and improve access to HIV care and health outcomes for program participants.

Ninety percent of HOPWA funds are distributed to States and eligible metropolitan areas according to a formula, which is based on cumulative AIDS cases. The remaining ten percent are awarded competitively to States, local governments, and private nonprofit entities for projects of national significance and for projects in non-formula areas. However, the HOPWA formula does not reflect the current nature and distribution of the epidemic. To modernize the program, the Administration is proposing an updated formula based on cases of persons living with HIV and adjusted for an area's fair market rent and poverty rates, focusing HOPWA funds on areas that have the most need. The proposal also includes several changes that will allow better targeting of HOPWA resources and more flexibility for grantees to provide the most cost-effective, timely interventions.

HUD is working in partnership with Federal agencies through the HIV Care Continuum to improve outcomes that promote greater achievements in viral suppression through the coordination and alignment of housing support with medical care for people living with HIV. Furthermore, HUD is placing greater emphasis on coordinating local planning and service delivery of HOPWA housing resources with local homeless Continuums of Care. This effort is expected to increase local collaborations in the delivery of housing and services, and reduce duplication of local systems of support.

#### COMMUNITY DEVELOPMENT FUND

For assistance to units of State and local government, and to other entities, for economic and community development activities, and for other purposes, **[\$3,100,000,000]** *\$2,870,000,000*, to remain available until September 30, **[2016]** *2017*, unless otherwise specified: *Provided*, That of the total amount provided, **[\$3,030,000,000]** *\$2,800,000,000* is for carrying out the community development block grant program under title I of the Housing and Community Development Act of 1974, as amended (the "Act" herein) (42 U.S.C. 5301 et seq.): *Provided further*, That unless explicitly provided for under this heading, not to exceed 20 percent of any grant made with funds appropriated under this heading shall be expended for planning and management development and administration: *Provided further*, That a metropolitan city, urban county, unit of general local government, or Indian tribe, or insular area that directly or indirectly receives funds under this heading may not sell, trade, or otherwise transfer all or any portion of such funds to another such entity in exchange for any other funds, credits or non-Federal considerations, but must use such funds for activities eligible under title I of the Act: *Provided further*, That none of the funds made available under this heading may be used for grants for the Economic Development Initiative ("EDI") or Neighborhood Initiatives activities, Rural Innovation

Fund, or for grants pursuant to section 107 of the Housing and Community Development Act of 1974 (42 U.S.C. 5307): *Provided further*, That the Department shall notify grantees of their formula allocation within 60 days of enactment of this Act: *Provided further*, That \$70,000,000 shall be for grants to Indian tribes notwithstanding section 106(a)(1) of such Act, of which, notwithstanding any other provision of law (including section 204 of this Act), up to \$3,960,000 may be used for emergencies that constitute imminent threats to health and safety: *Provided further*, That of the amounts made available under the previous proviso, \$10,000,000 shall be for grants for mold remediation and prevention that shall be awarded through one national competition to Native American tribes with the greatest need. (*Department of Housing and Urban Development Appropriations Act, 2014.*)

#### Program and Financing (in millions of dollars)

Identification code 86-0162-0-1-451	2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>			
0001 Community Development Formula Grants .....	2,913	3,042	2,837
0003 Indian Tribes .....	58	69	70
0004 Administration, Operations and Management .....		1	1
0010 Disaster Assistance .....	2,205	3,795	4,296
0900 Total new obligations (object class 41.0) .....	5,176	6,907	7,204
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	732	13,874	10,067
1021 Recoveries of prior year unpaid obligations .....	2		
1050 Unobligated balance (total) .....	734	13,874	10,067
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	3,308	3,100	2,870
1100 Appropriation .....	16,000		
1120 Appropriations transferred to other accts [86-0338] .....	-10		
1120 Appropriations transferred to other accts [86-0189] .....	-10		
1120 Appropriations transferred to other accts [86-0402] .....			-14
1130 Appropriations permanently reduced .....	-972		
1160 Appropriation, discretionary (total) .....	18,316	3,100	2,856
1930 Total budgetary resources available .....	19,050	16,974	12,923
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	13,874	10,067	5,719
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	15,037	14,419	11,105
3010 Obligations incurred, unexpired accounts .....	5,176	6,907	7,204
3020 Outlays (gross) .....	-5,768	-10,221	-8,383
3040 Recoveries of prior year unpaid obligations, unexpired .....	-2		
3041 Recoveries of prior year unpaid obligations, expired .....	-24		
3050 Unpaid obligations, end of year .....	14,419	11,105	9,926
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	15,037	14,419	11,105
3200 Obligated balance, end of year .....	14,419	11,105	9,926
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	18,316	3,100	2,856
Outlays, gross:			
4010 Outlays from new discretionary authority .....	202	31	29
4011 Outlays from discretionary balances .....	5,566	10,190	8,354
4020 Outlays, gross (total) .....	5,768	10,221	8,383
4180 Budget authority, net (total) .....	18,316	3,100	2,856
4190 Outlays, net (total) .....	5,768	10,221	8,383

Within the Community Development Fund, the Budget includes \$2.8 billion for the Community Development Block Grant (CDBG) program and \$70 million for the Indian CDBG program.

The CDBG program provides over 1,200 flexible annual formula grants to States, local governments, and Insular Areas to benefit mainly low-to moderate-income persons, and support a wide range of community and economic development activities, such as public infrastructure improvements (approximately 33 percent of all CDBG funds), housing rehabilitation and construction (approximately 25 percent of funds), job creation and retention, and public services (e.g., child care). 70 percent of the CDBG

## COMMUNITY DEVELOPMENT FUND—Continued

formula grants are distributed to mainly urban areas (entitlement communities), and 30 percent are distributed to the States (non-entitlement communities).

In August 2014 the CDBG program will celebrate its 40th anniversary, but in that time, the impact of the CDBG program has been uneven. Adjusted for inflation, recent appropriations represent only about 25 percent of the 1978 funding level, while the number of grantees has doubled. In recognition of the anniversary and these challenges, there is a need to reevaluate the program, its rules and its design to ensure that it provides targeted benefits to the nation's communities and, more specifically, to low- and moderate-income populations.

In support of these goals, in 2013 HUD undertook an outreach effort titled "Moving CDBG Forward" to provide CDBG stakeholders the opportunity to assess One CPD technical assistance, the program itself, and to recommend improvements. Recommendations gathered through the process, HUD's expertise administering the program and research conducted by HUD's Office of Policy Development and Research form the basis for the Department's legislative package of CDBG reforms that will be transmitted in the spring of 2014. This legislative package will focus on reforms that strengthen the CDBG program; help grantees target funding resources to areas of greatest need; enhance program accountability; synchronize critical program cycles with the consolidated plan cycle; reduce the number of small grantees; and provide more options for regional coordination, administration, and planning. Regional coordination will allow grantees to achieve administrative savings and pool resources to make strategic investment decisions.

The Budget also includes \$70 million for the Indian Community Development program. This program provides grants to help develop viable Indian and Alaska Native Communities with decent housing, a suitable living environment, and economic opportunities, primarily for low- and moderate-income persons. Within this account, \$10 million is provided to address mold issues in Indian housing, which will be distributed through a national competition.

This account also reflects \$15.2 billion in CDBG funding (post-sequestration) appropriated by the Disaster Relief Appropriations Act, 2013 (Public Law 113–2). These funds are intended primarily to respond to the effects of Hurricane Sandy that impacted the Atlantic Coast in late October 2012, but are also available to respond to other significant Presidentially-declared disasters that occurred in calendar years 2011, 2012, and 2013. Other amounts reflected in this account include prior-year CDBG disaster supplemental funding, as well as funds provided by the 2009 American Recovery and Reinvestment Act (\$1 billion in CDBG formula grants and \$2 billion for Neighborhood Stabilization Program II grants).

【EMPOWERMENT ZONES/ENTERPRISE COMMUNITIES/RENEWAL COMMUNITIES】  
【(RESCISSION)】

【Unobligated balances, including recaptures and carryover, remaining from funds appropriated to the Department of Housing and Urban Development under this heading are hereby permanently rescinded.】 (*Department of Housing and Urban Development Appropriations Act, 2014.*)

Introduced in 1993, the Empowerment Zone (EZ), Enterprise Community (EC), and Renewal Community (RC) Initiatives sought to reduce unemployment and generate economic growth through the designation of Federal tax incentives and award of grants to distressed communities. The tax incentives for ECs and RCs have

both expired, while EZ tax incentives were extended to December 31, 2013 by the American Taxpayer Relief Act of 2012. In 2014, all unobligated balances, including recaptures and carryover, were rescinded.

## BROWNFIELDS REDEVELOPMENT

## Program and Financing (in millions of dollars)

Identification code 86–0314–0–1–451	2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>			
0001 BEDI Grants .....		1	
0900 Total new obligations (object class 41.0) .....		1	
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....		4	3
1021 Recoveries of prior year unpaid obligations .....	4		
1050 Unobligated balance (total) .....	4	4	3
1930 Total budgetary resources available .....	4	4	3
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	4	3	3
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	36	25	21
3010 Obligations incurred, unexpired accounts .....		1	
3020 Outlays (gross) .....	–5	–5	–5
3040 Recoveries of prior year unpaid obligations, unexpired .....	–4		
3041 Recoveries of prior year unpaid obligations, expired .....	–2		
3050 Unpaid obligations, end of year .....	25	21	16
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	36	25	21
3200 Obligated balance, end of year .....	25	21	16
<b>Budget authority and outlays, net:</b>			
Discretionary:			
Outlays, gross:			
4011 Outlays from discretionary balances .....	5	5	5
4190 Outlays, net (total) .....	5	5	5

The 2015 Budget requests no funding for the Brownfields Economic Development Initiative (BEDI), which was a competitive grant program designed to assist cities with the redevelopment of brownfield sites for the purposes of economic development and job creation. Local governments have access to other public and private funds, including Community Development Block Grant (CDBG) funds, which can serve similar purposes.

## HOME INVESTMENT PARTNERSHIPS PROGRAM

For the HOME investment partnerships program, as authorized under title II of the Cranston-Gonzalez National Affordable Housing Act, as amended, 【\$1,000,000,000】 \$950,000,000, to remain available until September 30, 【2016】 2017: *Provided*, 【That notwithstanding the amount made available under this heading, the threshold reduction requirements in sections 216(10) and 217(b)(4) of such Act shall not apply to allocations of such amount: *Provided further*,】 That the requirements under provisos 2 through 【6】 5 under this heading for fiscal year 2012 and such requirements applicable pursuant to the "Full-Year Continuing Appropriations Act, 2013", shall not apply to any project to which funds were committed on or after August 23, 2013, but such projects shall instead be governed by the Final Rule titled "Home Investment Partnerships Program; Improving Performance and Accountability; Updating Property Standards" which became effective on such date: *Provided further*, *That funds provided in prior appropriations Acts for technical assistance, which were made available for Community Housing Development Organizations technical assistance, and which still remain available, may be used for HOME technical assistance, notwithstanding the purposes for which such amounts were appropriated: Provided further*, That 【the Department shall notify grantees of their formula allocation within 60 days of enact-

ment of this Act **1** of the total amount provided under this heading, up to \$10,000,000 shall be made available to the Self-help and Assisted Homeownership Opportunity Program, as authorized under section 11 of the Housing Opportunity Program Extension Act of 1996, as amended (42 U.S.C. 12805 note). (Department of Housing and Urban Development Appropriations Act, 2014.)

**Program and Financing** (in millions of dollars)

Identification code 86-0205-0-1-604		2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>				
0001	HOME Investment Program .....	918	1,030	945
0002	Technical Assistance .....	1		
0003	SHOP .....			10
0900	Total new obligations (object class 41.0) .....	919	1,030	955
<b>Budgetary Resources:</b>				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1 .....	152	190	160
1021	Recoveries of prior year unpaid obligations .....	11		
1050	Unobligated balance (total) .....	163	190	160
Budget authority:				
Appropriations, discretionary:				
1100	Appropriation .....	1,000	1,000	950
1120	Appropriations transferred to other accts [86-0402] .....			-5
1130	Appropriations permanently reduced .....	-52		
1160	Appropriation, discretionary (total) .....	948	1,000	945
1930	Total budgetary resources available .....	1,111	1,190	1,105
Memorandum (non-add) entries:				
1940	Unobligated balance expiring .....	-2		
1941	Unexpired unobligated balance, end of year .....	190	160	150
<b>Change in obligated balance:</b>				
Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1 .....	4,340	3,819	3,443
3010	Obligations incurred, unexpired accounts .....	919	1,030	955
3020	Outlays (gross) .....	-1,420	-1,406	-1,239
3040	Recoveries of prior year unpaid obligations, unexpired .....	-11		
3041	Recoveries of prior year unpaid obligations, expired .....	-9		
3050	Unpaid obligations, end of year .....	3,819	3,443	3,159
Memorandum (non-add) entries:				
3100	Obligated balance, start of year .....	4,340	3,819	3,443
3200	Obligated balance, end of year .....	3,819	3,443	3,159
<b>Budget authority and outlays, net:</b>				
Discretionary:				
4000	Budget authority, gross .....	948	1,000	945
Outlays, gross:				
4010	Outlays from new discretionary authority .....	3	10	9
4011	Outlays from discretionary balances .....	1,417	1,396	1,230
4020	Outlays, gross (total) .....	1,420	1,406	1,239
4180	Budget authority, net (total) .....	948	1,000	945
4190	Outlays, net (total) .....	1,420	1,406	1,239

The Budget requests \$950 million for HOME, with up to \$10 million set-aside for the Self-help Homeownership Opportunity Program (SHOP). The HOME Investment Partnerships Program provides flexible annual formula grant assistance to States and units of local government to increase the supply of affordable housing and expand homeownership for low- to very-low income persons through a wide range of activities that build, buy, and/or rehabilitate affordable housing. Sixty percent of the formula grant funds is awarded to participating local governments and 40 percent is awarded to states. Projects funded by HOME often leverage private dollars and are used in conjunction with the Low-Income Housing Tax Credit (LIHTC), Community Development Block Grant, and local funds. For example, 65 percent of about 178,000 completed HOME assisted rental units were part of awarded LIHTC projects from fiscal years 2009 through 2013. Over time, HOME funding is estimated to result in the production of almost 36,000 units of affordable housing through new construction, rehabilitation, and/or acquisition. It is also estimated

that communities will use a portion of their funding to support tenant-based rental assistance for almost 8,000 units.

The 2015 Budget also proposes statutory changes that would allow recaptured Community Housing Development Organization funds to be reallocated by formula; establish a single qualification threshold of \$500,000 irrespective of the appropriation amount; revise the current "grandfathering" provision so that participating jurisdictions that fall below the threshold three years out of a five-year period are ineligible for direct formula funds; and facilitate eviction of HOME rental unit tenants who pose an imminent threat to other residents' safety. When implemented, these changes will improve the targeting focus and effectiveness of the overall administration of the program.

SHOP is a competitive grant program that provides funds to increase the ability of non-profit organizations to assist low-income homebuyers willing to contribute "sweat equity" toward the construction of their homes. Communities can further leverage SHOP grants by using other sources of funding, including HOME funds, which can also be used for sweat equity projects. The 2015 Budget also proposes statutory changes that would improve the administration of the SHOP program. These include authorization to allow HUD to develop program regulations over five pages long, establishing a standard grant term of 36 months, establishing a deadline for completion of SHOP units, and explicitly naming planning, administrative, and management costs as eligible activities.

**HOUSING TRUST FUND**

(Legislative proposal, subject to PAYGO)

**Program and Financing** (in millions of dollars)

Identification code 86-5553-4-2-604		2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>				
0001	Direct program activity .....			1,000
0900	Total new obligations (object class 41.0) .....			1,000
<b>Budgetary Resources:</b>				
Budget authority:				
Appropriations, mandatory:				
1200	Appropriation .....			1,000
1260	Appropriations, mandatory (total) .....			1,000
1930	Total budgetary resources available .....			1,000
<b>Change in obligated balance:</b>				
Unpaid obligations:				
3010	Obligations incurred, unexpired accounts .....			1,000
3020	Outlays (gross) .....			-10
3050	Unpaid obligations, end of year .....			990
Memorandum (non-add) entries:				
3200	Obligated balance, end of year .....			990
<b>Budget authority and outlays, net:</b>				
Mandatory:				
4090	Budget authority, gross .....			1,000
Outlays, gross:				
4100	Outlays from new mandatory authority .....			10
4180	Budget authority, net (total) .....			1,000
4190	Outlays, net (total) .....			10

The Housing Trust Fund was originally authorized in the Housing and Economic Recovery Act of 2008 (Pub. L. 110-289) under section 1338 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (U.S.C. 1301 et. seq.) with a dedicated funding stream from assessments on Fannie Mae and Freddie Mac. However, the Federal Housing Finance Agency, the regulator for Fannie Mae and Freddie Mac, has indefinitely suspended these assessments.

## HOUSING TRUST FUND—Continued

The Budget proposes a \$1 billion mandatory appropriation to capitalize the Housing Trust Fund. The purpose of the Housing Trust Fund is to provide grants to States to increase and preserve the supply of affordable rental housing and homeownership opportunities for extremely low- and very low-income families. This program is similar to HOME, but is more income targeted. Funds will be distributed by formula to States or State-designated entities to be used primarily for construction, preservation, and rehabilitation of affordable rental housing, with up to ten percent of the funding for similar eligible activities that support homeownership. Of the total amounts made available, not less than 75 percent shall be used to benefit extremely low-income households, for whom the shortage of affordable housing is most acute. Over time, the funding provided for the Housing Trust Fund in 2015 is expected to produce approximately 16,000 affordable units using a mix of funding sources, including other public funds, tax credits, and private debt.

## CAPACITY BUILDING

*For the second, third, and fourth capacity building activities authorized under section 4(a) of the HUD Demonstration Act of 1993 (42 U.S.C. 9816 note), \$20,000,000, to remain available until September 30, 2016.*

## Program and Financing (in millions of dollars)

Identification code 86-0405-0-1-451	2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>			
0001 Capacity Building .....			20
0900 Total new obligations (object class 41.0) .....			20
<b>Budgetary Resources:</b>			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....			20
1160 Appropriation, discretionary (total) .....			20
1930 Total budgetary resources available .....			20
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3010 Obligations incurred, unexpired accounts .....			20
3050 Unpaid obligations, end of year .....			20
Memorandum (non-add) entries:			
3200 Obligated balance, end of year .....			20
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....			20
4180 Budget authority, net (total) .....			20

The 2015 Budget provides \$20 million for the Capacity Building for Community Development and Affordable Housing program, which is authorized by Section 4 of the HUD Demonstration Act of 1993. The Capacity Building program provides grants to national intermediaries to develop, enhance, and strengthen the technical and administrative capabilities of community development corporations to carry out community development and affordable housing activities for low- and moderate-income persons that support and address local needs and priorities. This program was previously funded as a part of the Self-Help and Assisted Homeownership Opportunity Program account.

## SELF-HELP AND ASSISTED HOMEOWNERSHIP OPPORTUNITY PROGRAM

For the Self-Help and Assisted Homeownership Opportunity Program, as authorized under section 11 of the Housing Opportunity Program Extension Act of 1996, as amended, \$50,000,000, to remain available

until September 30, 2016: *Provided*, That of the total amount provided under this heading, \$10,000,000 shall be made available to the Self-Help and Assisted Homeownership Opportunity Program as authorized under section 11 of the Housing Opportunity Program Extension Act of 1996, as amended: *Provided further*, That \$35,000,000 shall be made available for the second, third, and fourth capacity building activities authorized under section 4(a) of the HUD Demonstration Act of 1993 (42 U.S.C. 9816 note), of which not less than \$5,000,000 shall be made available for rural capacity-building activities: *Provided further*, That \$5,000,000 shall be made available for capacity building by national rural housing organizations with experience assessing national rural conditions and providing financing, training, technical assistance, information, and research to local nonprofits, local governments and Indian Tribes serving high need rural communities. (Department of Housing and Urban Development Appropriations Act, 2014.)

## Program and Financing (in millions of dollars)

Identification code 86-0176-0-1-604	2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>			
0001 Self Help Housing Opportunity Program .....	13	10	
0002 Capacity Building .....		68	
0003 Rural Capacity Building .....	5	10	
0900 Total new obligations (object class 41.0) .....	18	88	
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	5	38	
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	54	50	
1130 Appropriations permanently reduced .....	-3		
1160 Appropriation, discretionary (total) .....	51	50	
1930 Total budgetary resources available .....	56	88	
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	38		
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	199	150	164
3010 Obligations incurred, unexpired accounts .....	18	88	
3020 Outlays (gross) .....	-67	-74	-67
3050 Unpaid obligations, end of year .....	150	164	97
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	199	150	164
3200 Obligated balance, end of year .....	150	164	97
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	51	50	
Outlays, gross:			
4011 Outlays from discretionary balances .....	67	74	67
4180 Budget authority, net (total) .....	51	50	
4190 Outlays, net (total) .....	67	74	67

The 2015 Budget requests no separate funding for the Self-Help and Assisted Homeownership Opportunity Program (SHOP) account. Instead, SHOP is included as part of the request for the HOME Investment Partnerships Program. Activities under the Capacity Building for Community Development and Affordable Housing Program are requested separately under the Capacity Building account.

## NEIGHBORHOOD STABILIZATION PROGRAM

## Program and Financing (in millions of dollars)

Identification code 86-0344-0-1-451	2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>			
0001 Abandoned and Foreclosed .....	1		
0003 Disaster Assistance .....	4	16	
0900 Total new obligations (object class 41.0) .....	5	16	



<b>Budgetary Resources:</b>			
Unobligated balance:			
1000	Unobligated balance brought forward, Oct 1 .....	19	16 .....
1021	Recoveries of prior year unpaid obligations .....	2	.....
1050	Unobligated balance (total) .....	21	16 .....
1930	Total budgetary resources available .....	21	16 .....
Memorandum (non-add) entries:			
1941	Unexpired unobligated balance, end of year .....	16	.....

<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000	Unpaid obligations, brought forward, Oct 1 .....	1,416	626 139
3010	Obligations incurred, unexpired accounts .....	5	16 .....
3020	Outlays (gross) .....	-793	-503 -118
3040	Recoveries of prior year unpaid obligations, unexpired .....	-2	.....
3050	Unpaid obligations, end of year .....	626	139 21
Memorandum (non-add) entries:			
3100	Obligated balance, start of year .....	1,416	626 139
3200	Obligated balance, end of year .....	626	139 21

<b>Budget authority and outlays, net:</b>			
Mandatory:			
Outlays, gross:			
4101	Outlays from mandatory balances .....	793	503 118
4190	Outlays, net (total) .....	793	503 118

**Summary of Budget Authority and Outlays (in millions of dollars)**

	2013 actual	2014 est.	2015 est.
Enacted/requested:			
Outlays .....	793	503	118
Legislative proposal, subject to PAYGO:			
Budget Authority .....			15,000
Outlays .....			50
Total:			
Budget Authority .....			15,000
Outlays .....	793	503	168

The Neighborhood Stabilization Program (NSP) was first authorized by the Housing and Economic Recovery Act of 2008 (HERA) and funded at \$3.92 billion. In response to the foreclosure crisis, HERA directed HUD to develop a formula to distribute the funds to State and local governments with the greatest need. Grantees were allowed to use NSP funds for a number of eligible activities, including establishing financing mechanisms; purchasing and rehabilitating abandoned or foreclosed properties; establishing land banks; demolishing blighted structures; and redeveloping vacant or demolished property.

The American Recovery and Reinvestment Act of 2009 (ARRA) made several changes to the NSP program as enacted by HERA and appropriated an additional \$2 billion in funding for the NSP program. The ARRA funding for the second round of NSP funding (NSP2) is reflected within the Community Development Fund account.

The Dodd-Frank Financial Reform and Consumer Protection Act of 2010 (Dodd-Frank Act) appropriated an additional \$1 billion for a third iteration of NSP (NSP3) in July 2010. As of January 2014, NSP 3 grantees had expended 80 percent of funds. Most grantees intend to expend 100 percent of their NSP3 grant funds by March 31, 2014, and HUD will closely monitor their performance and provide technical assistance or implement sanctions as appropriate.

The Budget proposes \$15 billion in mandatory funding for Project Rebuild which would build upon the success of the NSP program and expand opportunities for grantees to address abandoned and foreclosed properties. Funds will be distributed via formula to State and local governments as well as competitively to governmental, non-profit and for-profit entities. Building upon proven approaches, Project Rebuild will bring in expertise and capital from the private sector, increase eligibility of commercial properties, focus on property improvements, expand innovat-

ive solutions like land banks, and fund job training programs to strengthen local workforce capacity. Collectively, these programs will not only create construction and other jobs but will help reduce blight and crime, foster economic development, stabilize housing prices and neighborhoods, and help worst-affected communities turn the corner to recovery.

**NEIGHBORHOOD STABILIZATION PROGRAM**  
(Legislative proposal, subject to PAYGO)

**Program and Financing (in millions of dollars)**

Identification code 86-0344-4-1-451	2013 actual	2014 est.	2015 est.
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<b>Obligations by program activity:</b>			
0001	Project Rebuild .....		15,000
0900	Total new obligations (object class 41.0) .....		15,000

<b>Budgetary Resources:</b>			
Budget authority:			
Appropriations, mandatory:			
1200	Appropriation .....		15,000
1260	Appropriations, mandatory (total) .....		15,000
1930	Total budgetary resources available .....		15,000

<b>Change in obligated balance:</b>			
Unpaid obligations:			
3010	Obligations incurred, unexpired accounts .....		15,000
3020	Outlays (gross) .....		-50
3050	Unpaid obligations, end of year .....		14,950
Memorandum (non-add) entries:			
3200	Obligated balance, end of year .....		14,950

<b>Budget authority and outlays, net:</b>			
Mandatory:			
4090	Budget authority, gross .....		15,000
Outlays, gross:			
4100	Outlays from new mandatory authority .....		50
4180	Budget authority, net (total) .....		15,000
4190	Outlays, net (total) .....		50

**HOMELESS ASSISTANCE GRANTS****(INCLUDING TRANSFER OF FUNDS)**

For the emergency solutions grants program as authorized under subtitle B of title IV of the McKinney-Vento Homeless Assistance Act, as amended; the continuum of care program as authorized under subtitle C of title IV of such Act; and the rural housing stability assistance program as authorized under subtitle D of title IV of such Act, **[\$2,105,000,000] \$2,406,400,000**, to remain available until September 30, **[2016] 2017: Provided**, That any rental assistance amounts that are recaptured under such continuum of care program shall remain available until expended: *Provided further*, That not less than **[\$250,000,000] \$215,000,000** of the funds appropriated under this heading shall be available for such emergency solutions grants program: *Provided further*, That not less than **[\$1,815,000,000] \$2,184,400,000** of the funds appropriated under this heading shall be available for such continuum of care and rural housing stability assistance programs: *Provided further*, That up to **[\$6,000,000] \$7,000,000** of the funds appropriated under this heading shall be available for the national homeless data analysis project: *Provided further*, That all funds awarded for supportive services under the continuum of care program and the rural housing stability assistance program shall be matched by not less than 25 percent in cash or in kind by each grantee: *Provided further*, That for all match requirements applicable to funds made available under this heading for this fiscal year and prior years, a grantee may use (or could have used) as a source of match funds other funds administered by the Secretary and other Federal agencies unless there is (or was) a specific statutory prohibition on any such use of any such funds: *Provided further*, That the Secretary may renew on an annual basis expiring contracts or amendments to contracts funded under the continuum of care program if the program is determined to be needed under the applicable continuum of care and meets appropri-

## HOMELESS ASSISTANCE GRANTS—Continued

ate program requirements, performance measures, and financial standards, as determined by the Secretary [ : *Provided further*, That all awards of assistance under this heading shall be required to coordinate and integrate homeless programs with other mainstream health, social services, and employment programs for which homeless populations may be eligible, including Medicaid, State Children's Health Insurance Program, Temporary Assistance for Needy Families, Food Stamps, and services funding through the Mental Health and Substance Abuse Block Grant, Workforce Investment Act, and the Welfare-to-Work grant program: *Provided further*, That all balances for Shelter Plus Care renewals previously funded from the Shelter Plus Care Renewal account and transferred to this account shall be available, if recaptured, for continuum of care renewals in fiscal year 2014: *Provided further*, That with respect to funds provided under this heading for the continuum of care program for fiscal years 2012, 2013, and 2014, provision of permanent housing rental assistance may be administered by private nonprofit organizations: *Provided further*, That not later than 180 days after awarding fiscal year 2013 funds described in the previous proviso to private nonprofit organizations, the Secretary of Housing and Urban Development shall submit to the House and Senate Committees on Appropriations, the House Committee on Financial Services, and the Senate Committee on Banking, Housing, and Urban Affairs a report that includes a review of the history of and need for the authority provided in the previous proviso, the number and geographic distribution of persons assisted under such actions, an analysis of the effectiveness, advantages, and disadvantages of the authority under the previous proviso and such other information as may be necessary to assess the ongoing need for such authority: *Provided further*, That the Department shall notify grantees of their formula allocation from amounts allocated (which may represent initial or final amounts allocated) for the emergency solutions grant program within 60 days of enactment of this Act]. (*Department of Housing and Urban Development Appropriations Act, 2014.*)

## Program and Financing (in millions of dollars)

Identification code 86-0192-0-1-604	2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>			
0002 National Homeless Data Analysis Project .....	7	6	7
0004 Sec. 8 Mod Rehab Amendments .....	2	1	1
0005 Section 8 Moderate Rehabilitation SRO .....	2	1	1
0009 Continuum of Care (SPC, SHP, Rural) .....	1,851	1,755	2,072
0010 Emergency Solutions Grants - Formula .....	224	240	225
0900 Total new obligations (object class 41.0) .....	2,086	2,003	2,306
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	2,023	1,879	2,001
1021 Recoveries of prior year unpaid obligations .....	27	20	20
1050 Unobligated balance (total) .....	2,050	1,899	2,021
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	2,033	2,105	2,406
1130 Appropriations permanently reduced .....	-100		
1160 Appropriation, discretionary (total) .....	1,933	2,105	2,406
1930 Total budgetary resources available .....	3,983	4,004	4,427
Memorandum (non-add) entries:			
1940 Unobligated balance expiring .....	-18		
1941 Unexpired unobligated balance, end of year .....	1,879	2,001	2,121
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	2,474	2,691	2,638
3010 Obligations incurred, unexpired accounts .....	2,086	2,003	2,306
3020 Outlays (gross) .....	-1,736	-2,036	-1,992
3040 Recoveries of prior year unpaid obligations, unexpired .....	-27	-20	-20
3041 Recoveries of prior year unpaid obligations, expired .....	-106		
3050 Unpaid obligations, end of year .....	2,691	2,638	2,932
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	2,474	2,691	2,638
3200 Obligated balance, end of year .....	2,691	2,638	2,932
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	1,933	2,105	2,406

Outlays, gross:			
4010 Outlays from new discretionary authority .....	2	21	24
4011 Outlays from discretionary balances .....	1,734	2,015	1,968
4020 Outlays, gross (total) .....	1,736	2,036	1,992
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4033 Non-Federal sources .....	-1		
Additional offsets against gross budget authority only:			
4052 Offsetting collections credited to expired accounts .....	1		
4070 Budget authority, net (discretionary) .....	1,933	2,105	2,406
4080 Outlays, net (discretionary) .....	1,735	2,036	1,992
4180 Budget authority, net (total) .....	1,933	2,105	2,406
4190 Outlays, net (total) .....	1,735	2,036	1,992

The Homeless Assistance Grants account provides funds for the Emergency Solutions Grant (ESG) and Continuum of Care (CoC) programs. These programs, which award funds through formula and competitive processes, enable localities to shape and implement comprehensive, flexible, coordinated approaches to address the multiple issues of homelessness. Many communities have made great strides in creating comprehensive approaches to ending homelessness—particularly chronic homelessness—through the development of local plans.

The 2015 Budget provides \$2.406 billion for a wide range of activities to assist homeless persons and prevent future occurrences of homelessness. HUD estimates it will use \$2.184 billion for competitive renewals and new permanent supportive housing in the CoC program and \$215 million for ESG. The Budget also includes \$7 million for the National Homeless Data Analysis Project.

The 2015 Budget makes significant progress toward ending homelessness by supporting the goals of the Federal Strategic Plan to Prevent and End Homelessness which was published by the U.S. Interagency Council on Homelessness in 2010. Supported by the collection of robust data and using best practices from across the country, the Budget sets a path for achieving the Administration's ambitious goals of ending Veterans homelessness by 2015 and ending chronic homelessness by 2016.

In 2015, HUD will continue the implementation of the McKinney-Vento Act as amended by the HEARTH Act.

## PERMANENT SUPPORTIVE HOUSING

## Program and Financing (in millions of dollars)

Identification code 86-0342-0-1-604	2013 actual	2014 est.	2015 est.
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	36	27	20
3020 Outlays (gross) .....	-9	-7	-7
3050 Unpaid obligations, end of year .....	27	20	13
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	36	27	20
3200 Obligated balance, end of year .....	27	20	13
<b>Budget authority and outlays, net:</b>			
Discretionary:			
Outlays, gross:			
4011 Outlays from discretionary balances .....	9	7	7
4190 Outlays, net (total) .....	9	7	7

This program was created by the Supplemental Appropriations Act, 2008 (P.L. 110-252), and provided \$73 million for permanent supportive housing assistance as referenced in the Road Home Program of the Louisiana Recovery Authority (LRA). Of the total amount appropriated, \$50 million was for permanent supportive housing, serving approximately 1,000 homeless individuals and families living with disabilities. The LRA is eligible to apply for Homeless Assistance Grants to renew this assistance. Addition-

ally, this account provided \$23 million in project-based rental assistance vouchers to LRA to support an estimated 2,000 elderly and disabled disaster victims, as authorized. Beginning in 2010, these vouchers have been renewed within the Tenant-Based Rental Assistance account upon the termination of the original subsidy.

## RURAL HOUSING AND ECONOMIC DEVELOPMENT

## Program and Financing (in millions of dollars)

Identification code 86-0324-0-1-604	2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>			
0001 Border Capital Community Initiative .....		2	
0002 Delta Capital Community Initiative .....			1
0003 Appalachia Economic Development Initiative .....			1
0900 Total new obligations (object class 41.0) .....		2	2
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	3	4	3
1021 Recoveries of prior year unpaid obligations .....	1	1	1
1050 Unobligated balance (total) .....	4	5	4
1930 Total budgetary resources available .....	4	5	4
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	4	3	2
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	24	12	5
3010 Obligations incurred, unexpired accounts .....		2	2
3020 Outlays (gross) .....	-11	-8	-4
3040 Recoveries of prior year unpaid obligations, unexpired .....	-1	-1	-1
3050 Unpaid obligations, end of year .....	12	5	2
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	24	12	5
3200 Obligated balance, end of year .....	12	5	2
<b>Budget authority and outlays, net:</b>			
Discretionary:			
Outlays, gross:			
4011 Outlays from discretionary balances .....	11	8	4
4190 Outlays, net (total) .....	11	8	4

The 2015 Budget does not provide funding for the Rural Housing and Economic Development (RHED) program. RHED was created to encourage innovative approaches to serving the housing and economic development needs of the nation's rural communities.

## REVOLVING FUND (LIQUIDATING PROGRAMS)

## Program and Financing (in millions of dollars)

Identification code 86-4015-0-3-451	2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>			
0001 Revolving Fund .....	1	1	1
0900 Total new obligations (object class 32.0) .....	1	1	1
<b>Budgetary Resources:</b>			
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation .....	1	1	1
1260 Appropriations, mandatory (total) .....	1	1	1
1930 Total budgetary resources available .....	1	1	1
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	9	10	9
3010 Obligations incurred, unexpired accounts .....	1	1	1
3020 Outlays (gross) .....		-2	-2
3050 Unpaid obligations, end of year .....	10	9	8

Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	9	10	9
3200 Obligated balance, end of year .....	10	9	8

## Budget authority and outlays, net:

Mandatory:			
4090 Budget authority, gross .....	1	1	1
Outlays, gross:			
4100 Outlays from new mandatory authority .....		1	1
4101 Outlays from mandatory balances .....		1	1
4110 Outlays, gross (total) .....		2	2
4180 Budget authority, net (total) .....	1	1	1
4190 Outlays, net (total) .....		2	2

## Status of Direct Loans (in millions of dollars)

Identification code 86-4015-0-3-451	2013 actual	2014 est.	2015 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year .....	5	5	5
1290 Outstanding, end of year .....	5	5	5

The Revolving Fund (liquidating programs) was established by the Independent Offices Appropriations Act of 1955 for the efficient liquidation of assets acquired under a number of housing and urban development programs, all of which are no longer active. For example, the Section 312 loan program portfolio, which provided first and junior lien financing at below market interest rates for the rehabilitation of homes in low-income neighborhoods, constituted a large portion of the account activities but has since ceased to originate new loans for over 20 years ago. The operational expenses are financed from a permanent, indefinite appropriation to administer the remaining repayments of loans and recaptures in the portfolio. Annually, any remaining unobligated balances in the account are returned as a dividend to the Treasury.

## Balance Sheet (in millions of dollars)

Identification code 86-4015-0-3-451	2012 actual	2013 actual
<b>ASSETS:</b>		
1101 Federal assets: Fund balances with Treasury .....	9	9
1601 Direct loans, gross .....	5	5
1603 Allowance for estimated uncollectible loans and interest (-) .....	-5	-5
1604 Direct loans and interest receivable, net .....		
1606 Foreclosed property .....	1	2
1699 Value of assets related to direct loans .....	1	2
1999 Total assets .....	10	11
<b>LIABILITIES:</b>		
2207 Non-Federal liabilities: Other .....	1	1
<b>NET POSITION:</b>		
3100 Unexpended appropriations .....	9	10
4999 Total liabilities and net position .....	10	11

## COMMUNITY DEVELOPMENT LOAN GUARANTEES PROGRAM ACCOUNT

【For the cost of guaranteed loans, \$3,000,000, to remain available until September 30, 2015, as authorized by】 *Subject to section 502 of the Congressional Budget Act of 1974, during fiscal year 2015, commitments to guarantee loans under section 108 of the Housing and Community Development Act of 1974 (42 U.S.C. 5308), any part of which is guaranteed, shall not exceed a total principal amount of \$500,000,000: Provided, That 【such costs, including the cost of modifying such loans, shall be defined in section 502 of the Congressional Budget Act of 1974: Provided further, That additionally,】 the Secretary 【may】 shall collect fees from borrowers 【, notwithstanding subsection (m) of such section 108】 to result in a cost of zero for guaranteeing such loans, and any such fees shall be collected in accordance with section 502(7) of the Congressional Budget Act of 1974 【: Provided further, That the funds provided under this heading and any amounts from any such fees collected are available*

COMMUNITY DEVELOPMENT LOAN GUARANTEES PROGRAM  
ACCOUNT—Continued

to subsidize total loan principal, any part of which is to be guaranteed, not to exceed \$150,000,000, notwithstanding any aggregate limitation on outstanding obligations guaranteed in section 108(k) of the Housing and Community Development Act of 1974, as amended. (Department of Housing and Urban Development Appropriations Act, 2014.)

## Program and Financing (in millions of dollars)

Identification code 86-0198-0-1-451	2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>			
Credit program obligations:			
0702 Loan guarantee subsidy .....	6	7	.....
0707 Reestimates of loan guarantee subsidy .....	7	2	.....
0708 Interest on reestimates of loan guarantee subsidy .....	1	.....	.....
0900 Total new obligations (object class 33.0) .....	14	9	.....
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	4	4	.....
1001 Discretionary unobligated balance brought fwd, Oct 1 .....	4	4	.....
1050 Unobligated balance (total) .....	4	4	4
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	6	3	.....
1160 Appropriation, discretionary (total) .....	6	3	.....
Appropriations, mandatory:			
1200 Appropriation .....	8	2	.....
1260 Appropriations, mandatory (total) .....	8	2	.....
1900 Budget authority (total) .....	14	5	.....
1930 Total budgetary resources available .....	18	9	.....
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	4	.....	.....
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	13	17	15
3010 Obligations incurred, unexpired accounts .....	14	9	.....
3020 Outlays (gross) .....	-10	-11	-6
3050 Unpaid obligations, end of year .....	17	15	9
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	13	17	15
3200 Obligated balance, end of year .....	17	15	9
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	6	3	.....
Outlays, gross:			
4011 Outlays from discretionary balances .....	2	9	6
Mandatory:			
4090 Budget authority, gross .....	8	2	.....
Outlays, gross:			
4100 Outlays from new mandatory authority .....	8	2	.....
4180 Budget authority, net (total) .....	14	5	.....
4190 Outlays, net (total) .....	10	11	6

## Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 86-0198-0-1-451	2013 actual	2014 est.	2015 est.
Guaranteed loan levels supportable by subsidy budget authority:			
215001 Community development loan guarantee levels .....	231	313	500
215999 Total loan guarantee levels .....	231	313	500
Guaranteed loan subsidy (in percent):			
232001 Community development loan guarantee levels .....	2.46	2.56	0.00
232999 Weighted average subsidy rate .....	2.46	2.56	0.00
Guaranteed loan subsidy budget authority:			
233001 Community development loan guarantee levels .....	6	8	.....
233999 Total subsidy budget authority .....	6	8	.....
Guaranteed loan subsidy outlays:			
234001 Community development loan guarantee levels .....	1	2	5
234999 Total subsidy outlays .....	1	2	5
Guaranteed loan upward reestimates:			
235001 Community development loan guarantee levels .....	8	3	.....
235999 Total upward reestimate budget authority .....	8	3	.....

Guaranteed loan downward reestimates:			
237001 Community development loan guarantee levels .....	-3	-7	.....
237999 Total downward reestimate subsidy budget authority .....	-3	-7	.....

The Community Development Loan Guarantee program (Section 108) supports economic development projects, housing rehabilitation, and the rehabilitation, construction or installation of public facilities for the benefit of low- to moderate-income persons or to aid in the prevention of slums. The 2015 Budget increases the guaranteed loan limit to \$500 million, but does not request credit subsidy for the program. The Budget requires HUD to collect fees to offset credit subsidy costs such that the program operates at a zero credit subsidy cost. The Budget also proposes legislative changes to the Housing and Community Development Act of 1974 to align to the new fee structure. Carryover loan guarantee credit subsidy in this account will continue to be used until exhausted.

As required by the Federal Credit Reform Act of 1990, this account records the subsidy costs associated with the loan guarantees committed since 1992, including modifications of direct loans or loan guarantees that resulted from obligations or commitments in any year. The subsidy amounts are estimated on a present value basis.

## COMMUNITY DEVELOPMENT LOAN GUARANTEES FINANCING ACCOUNT

## Program and Financing (in millions of dollars)

Identification code 86-4096-0-3-451	2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>			
Credit program obligations:			
0742 Downward reestimate paid to receipt account .....	2	5	.....
0743 Interest on downward reestimates .....	1	3	.....
0900 Total new obligations .....	3	8	.....
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	109	124	125
Financing authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected .....	15	9	9
1801 Change in uncollected payments, Federal sources .....	3	.....	.....
1850 Spending auth from offsetting collections, mand (total) .....	18	9	9
1930 Total budgetary resources available .....	127	133	134
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	124	125	134
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	.....	.....	8
3010 Obligations incurred, unexpired accounts .....	3	8	.....
3020 Financing disbursements (gross) .....	-3	.....	.....
3050 Unpaid obligations, end of year .....	.....	8	8
Uncollected payments:			
3060 Uncollected pymts, Fed sources, brought forward, Oct 1 .....	-14	-17	-17
3070 Change in uncollected pymts, Fed sources, unexpired .....	-3	.....	.....
3090 Uncollected pymts, Fed sources, end of year .....	-17	-17	-17
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	-14	-17	-9
3200 Obligated balance, end of year .....	-17	-9	-9
<b>Financing authority and disbursements, net:</b>			
Mandatory:			
4090 Financing authority, gross .....	18	9	9
Financing disbursements:			
4110 Financing disbursements, gross .....	3	.....	.....
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4120 Federal Sources: Payments from Program Account .....	-10	-5	-5
4122 Interest on uninvested funds .....	-5	-4	-4
4130 Offsets against gross financing auth and disbursements (total) .....	-15	-9	-9
Additional offsets against financing authority only (total):			
4140 Change in uncollected pymts, Fed sources, unexpired .....	-3	.....	.....

4170	Financing disbursements, net (mandatory) .....	-12	-9	-9
4190	Financing disbursements, net (total) .....	-12	-9	-9

**Status of Guaranteed Loans** (in millions of dollars)

Identification code 86-4096-0-3-451	2013 actual	2014 est.	2015 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders .....	240	150	500
2121 Limitation available from carry-forward .....	159	163	.....
2142 Uncommitted loan guarantee limitation .....	-5	.....	.....
2143 Uncommitted limitation carried forward .....	-163	.....	.....
2150 Total guaranteed loan commitments .....	231	313	500
2199 Guaranteed amount of guaranteed loan commitments .....	231	313	500
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year .....	2,148	1,989	1,949
2231 Disbursements of new guaranteed loans .....	87	210	210
2251 Repayments and prepayments .....	-246	-250	-250
2290 Outstanding, end of year .....	1,989	1,949	1,909
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year .....	1,989	1,949	1,909

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from loan guarantees committed in 1992 and beyond (including modifications of loan guarantees that resulted from commitments in any year). The amounts in this account are a means of financing and are not included in the budget totals. As required by the Federal Credit Reform Act of 1990, no administrative expenses can be recorded in the financing account.

**Balance Sheet** (in millions of dollars)

Identification code 86-4096-0-3-451	2012 actual	2013 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury .....	107	96
1999 Total assets .....	107	96
LIABILITIES:		
2204 Non-Federal liabilities: Liabilities for loan guarantees .....	107	96
4999 Total liabilities and net position .....	107	96

**COMMUNITY DEVELOPMENT LOAN GUARANTEES LIQUIDATING ACCOUNT****Program and Financing** (in millions of dollars)

Identification code 86-4097-0-3-451	2013 actual	2014 est.	2015 est.
Change in obligated balance:			
Uncollected payments:			
3060 Uncollected pymts, Fed sources, brought forward, Oct 1 .....	-3	-3	-3
3090 Uncollected pymts, Fed sources, end of year .....	-3	-3	-3
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	-3	-3	-3
3200 Obligated balance, end of year .....	-3	-3	-3

**Status of Guaranteed Loans** (in millions of dollars)

Identification code 86-4097-0-3-451	2013 actual	2014 est.	2015 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year .....	5	1	.....
2251 Repayments and prepayments .....	-4	-1	.....
2290 Outstanding, end of year .....	1	.....	.....
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year .....	.....	.....	.....

As required by the Federal Credit Reform Act of 1990, this liquidating account records all cash flows to and from the Government

resulting from FFB direct loans for which loan guarantees were committed prior to 1992. This account is shown on a cash basis.

**Balance Sheet** (in millions of dollars)

Identification code 86-4097-0-3-451	2012 actual	2013 actual
ASSETS:		
Federal assets:		
1101 Fund balances with Treasury .....	-3	3
Investments in US securities:		
1106 Receivables, net .....	3	3
1999 Total assets .....	.....	6

**HOUSING PROGRAMS****Federal Funds****PROJECT-BASED RENTAL ASSISTANCE**

For activities and assistance for the provision of project-based subsidy contracts under the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) ("the Act"), not otherwise provided for, **[\$9,516,628,000]** **\$9,346,000,000**, to remain available until expended, shall be available on October 1, **[2013]** **2014** (in addition to the \$400,000,000 previously appropriated under this heading that became available October 1, **[2013]** **2014**), and \$400,000,000, to remain available until expended, shall be available on October 1, **[2014]** **2015: Provided**, That the amounts made available under this heading shall be available for expiring or terminating section 8 project-based subsidy contracts (including section 8 moderate rehabilitation contracts), for amendments to section 8 project-based subsidy contracts (including section 8 moderate rehabilitation contracts), for contracts entered into pursuant to section 441 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11401), for renewal of senior preservation rental assistance contracts, as authorized by section 811 (e) of the American Housing and Economic Opportunity Act of 2000, as amended (12 U.S.C. 1701q note), for renewal of section 8 contracts for units in projects that are subject to approved plans of action under the Emergency Low Income Housing Preservation Act of 1987 or the Low-Income Housing Preservation and Resident Homeownership Act of 1990, and for administrative and other expenses associated with project-based activities and assistance funded under this paragraph: *Provided further*, That of the total amounts provided under this heading, not to exceed **[\$265,000,000]** **\$210,000,000** shall be available for **[assistance agreements with]** *grants or cooperative agreements under such terms and procedures as determined by the Secretary and in accordance with section 204 of this title for performance-based contract administrators* for section 8 project-based assistance, for carrying out 42 U.S.C. 1437(f): *Provided further*, That the Secretary of Housing and Urban Development may also use such amounts in the previous proviso for performance-based contract administrators for the administration of: interest reduction payments pursuant to section 236(a) of the National Housing Act (12 U.S.C. 1715z-1(a)); rent supplement payments pursuant to section 101 of the Housing and Urban Development Act of 1965 (12 U.S.C. 1701s); section 236(f)(2) rental assistance payments (12 U.S.C. 1715z-1(f)(2)); project rental assistance contracts for the elderly under section 202(c)(2) of the Housing Act of 1959 (12 U.S.C. 1701q); project rental assistance contracts for supportive housing for persons with disabilities under section 811(d)(2) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8013(d)(2)); project assistance contracts pursuant to section 202(h) of the Housing Act of 1959 (Public Law 86-372; 73 Stat. 667); and loans under section 202 of the Housing Act of 1959 (Public Law 86-372; 73 Stat. 667): *Provided further*, That amounts recaptured under this heading, the heading "Annual Contributions for Assisted Housing", or the heading "Housing Certificate Fund", may be used for renewals of or amendments to section 8 project-based contracts or for performance-based contract administrators, notwithstanding the purposes for which such amounts were appropriated: *Provided further*, That, notwithstanding any other provision of law, upon the request of the Secretary of Housing and Urban Development, project funds that are held in residual receipts accounts for any project subject to a section 8 project-based Housing Assistance Payments contract that authorizes HUD or a Housing Finance Agency to require that surplus project funds be deposited in an interest-bearing residual receipts account

## PROJECT-BASED RENTAL ASSISTANCE—Continued

and that are in excess of an amount to be determined by the Secretary, shall be remitted to the Department and deposited in this account, to be available until expended: *Provided further*, That amounts deposited pursuant to the previous proviso shall be available in addition to the amount otherwise provided by this heading for uses authorized under this heading. (*Department of Housing and Urban Development Appropriations Act, 2014.*)

## Program and Financing (in millions of dollars)

Identification code 86-0303-0-1-604		2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>				
0001	Contract Renewals .....	8,020	9,382	8,952
0002	RAD Contract Renewals .....		1	70
0003	Section 8 Amendments .....	580	612	590
0004	Contract Administrators .....	218	265	210
0005	Vouchers for Disaster Relief .....		1	1
0006	Tenant Information and Outreach .....		2	3
0900	Total new obligations (object class 41.0) .....	8,818	10,263	9,826
<b>Budgetary Resources:</b>				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1 .....	181	258	
1021	Recoveries of prior year unpaid obligations .....	44		
1050	Unobligated balance (total) .....	225	258	
Budget authority:				
Appropriations, discretionary:				
1100	Appropriation .....	8,939	9,517	9,346
1120	Appropriations transferred to other accts [86-0402] .....			-15
1121	Appropriations transferred from other accts [86-0163] .....		1	52
1121	Appropriations transferred from other accts [86-0304] .....			18
1130	Appropriations permanently reduced .....	-488		
1160	Appropriation, discretionary (total) .....	8,451	9,518	9,401
Advance appropriations, discretionary:				
1170	Advance appropriation .....	400	400	400
1180	Advanced appropriation, discretionary (total) .....	400	400	400
Spending authority from offsetting collections, discretionary:				
1700	Collected .....		87	25
1750	Spending auth from offsetting collections, disc (total) .....		87	25
1900	Budget authority (total) .....	8,851	10,005	9,826
1930	Total budgetary resources available .....	9,076	10,263	9,826
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year .....	258		
<b>Change in obligated balance:</b>				
Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1 .....	5,613	4,958	5,274
3010	Obligations incurred, unexpired accounts .....	8,818	10,263	9,826
3020	Outlays (gross) .....	-9,429	-9,947	-10,365
3040	Recoveries of prior year unpaid obligations, unexpired .....	-44		
3050	Unpaid obligations, end of year .....	4,958	5,274	4,735
Memorandum (non-add) entries:				
3100	Obligated balance, start of year .....	5,613	4,958	5,274
3200	Obligated balance, end of year .....	4,958	5,274	4,735
<b>Budget authority and outlays, net:</b>				
Discretionary:				
4000	Budget authority, gross .....	8,851	10,005	9,826
Outlays, gross:				
4010	Outlays from new discretionary authority .....	3,952	5,393	5,302
4011	Outlays from discretionary balances .....	5,477	4,554	5,063
4020	Outlays, gross (total) .....	9,429	9,947	10,365
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4033	Non-Federal sources .....		-87	-25
4180	Budget authority, net (total) .....	8,851	9,918	9,801
4190	Outlays, net (total) .....	9,429	9,860	10,340

The Budget requests \$9.746 billion for Project-Based Rental Assistance (PBRA), of which \$400 million is requested as an advance appropriation to become available in 2016. The PBRA program assists approximately 1.2 million extremely low- to low-income households in obtaining decent, safe, and sanitary housing in private accommodations. PBRA serves families, elderly and disabled households and provides transitional housing for the

homeless. Through this funding, HUD supports approximately 17,400 contracts with private owners of multifamily housing by paying the difference between what a household can afford, generally 30 percent of its eligible income, and the approved market-based rent for a housing unit.

The Budget shifts funding for PBRA contracts to a calendar year cycle, which is consistent with current practice in the Tenant-Based Rental Assistance and Public Housing programs and should result in more predictable funding cycles in future years. HUD does not expect this new funding method to have a significant impact on tenants or other stakeholders because there is no change in contract terms or duration.

The Budget proposes legislative reforms to HUD's core rental assistance programs, including PBRA. In addition to these crosscutting reforms, which are summarized under the Tenant-Based Rental Assistance heading, the Budget includes the following proposals that are specific to the PBRA program: (1) establishes a demonstration allowing HUD to enter multi-year agreements to repay private investors who provide upfront funding for energy efficiency retrofits of HUD-assisted housing; and (2) amends the Low-Income Housing Preservation and Resident Homeownership Act (LIHPRA) to align prepayment and owner distribution policies in properties governed by LIHPRA with other PBRA-assisted properties in order to facilitate preservation transactions. While some proposals are included in the general provisions at the end of this chapter, all others will be included in authorizing legislation to be transmitted to Congress in the Spring of 2014.

Finally, the Budget proposes to expand eligibility for the Family Self Sufficiency (FSS) program to PBRA properties, and to allow certain properties in the Other Assisted Housing account to convert to PBRA via the Rental Assistance Demonstration (RAD). More information on these proposals is available under the FSS and RAD headings.

Program activities include the following:

**Contract Renewals and Amendments.**—These activities provide funding for HUD to renew expiring contracts and amend contracts that have not expired but require additional funding for HUD to meet remaining payment obligations. Appropriations for these activities are supplemented with recoveries of excess balances remaining on expired contracts that utilized less than anticipated resources during their initial terms.

**Contract Administrators.**—This activity funds the local level administration of the program through HUD agreements with performance-based contract administrators. These entities, which are typically public housing authorities or state housing finance agencies, are responsible for conducting on-site management reviews of assisted properties; adjusting contract rents; reviewing, processing, and paying monthly vouchers submitted by owners; renewing contracts with property owners; and responding to health and safety issues at properties. The Budget requests up to \$210 million for this purpose.

## HOUSING FOR THE ELDERLY

For amendments to capital advance contracts for housing for the elderly, as authorized by section 202 of the Housing Act of 1959, as amended, and for project rental assistance for the elderly under section 202(c)(2) of such Act, including amendments to contracts for such assistance and renewal of expiring contracts for such assistance for up to a 1-year term, and for senior preservation rental assistance contracts, as authorized by section 811(e) of the American Housing and Economic Opportunity Act of 2000, as amended, and for supportive services associated with the housing, **[\$383,500,000] \$440,000,000** to remain available until September 30, **[2017] 2018: Provided**, That of the amount provided under

this heading, up to **[\$72,000,000]** \$70,000,000 shall be for service coordinators and the continuation of existing congregate service grants for residents of assisted housing projects: *Provided further*, That amounts under this heading shall be available for Real Estate Assessment Center inspections and inspection-related activities associated with section 202 projects: *Provided further*, That the Secretary may waive the provisions of section 202 governing the terms and conditions of project rental assistance, except that the initial contract term for such assistance shall not exceed 5 years in duration: *Provided further*, That upon the request of the Secretary of Housing and Urban Development, project funds that are held in residual receipts accounts for any project subject to a section 202 project rental assistance contract and that upon termination of such contract are in excess of an amount to be determined by the Secretary shall be remitted to the Department and deposited in this account, to be available until September 30, **[2017]** 2018: *Provided further*, That amounts deposited in this account pursuant to the previous proviso shall be available in addition to the amounts otherwise provided by this heading for the purposes authorized under this heading and, together with such funds, may be used by the Secretary for demonstration programs to test housing with services models for the elderly that demonstrate the potential to delay or avoid the need for nursing home care: *Provided further*, That unobligated balances, including recaptures and carryover, remaining from funds transferred to or appropriated under this heading may be used for the current purposes authorized under this heading, notwithstanding the purposes for which such funds were originally appropriated. (*Department of Housing and Urban Development Appropriations Act, 2014.*)

**Program and Financing** (in millions of dollars)

Identification code 86-0320-0-1-604		2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>				
0001	Construction and Expansion .....	11	64	106
0002	PRAC Renewal/Amendment .....	264	302	345
0003	Service Coordinators/Congregate Services .....	86	51	68
0004	Conversion to Assisted Living Facilities .....	27	20	.....
0005	Pre-Construction Demonstration .....	1	.....	.....
0006	Senior Preservation Rental Assistance Contracts .....	.....	16	.....
0900	Total new obligations (object class 41.0) .....	389	453	519
<b>Budgetary Resources:</b>				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1 .....	182	156	97
1021	Recoveries of prior year unpaid obligations .....	9	.....	.....
1050	Unobligated balance (total) .....	191	156	97
Budget authority:				
Appropriations, discretionary:				
1100	Appropriation .....	375	384	440
1120	Appropriations transferred to other accts [86-0402] .....	.....	.....	-2
1130	Appropriations permanently reduced .....	-20	.....	.....
1160	Appropriation, discretionary (total) .....	355	384	438
Spending authority from offsetting collections, discretionary:				
1700	Collected .....	.....	10	38
1750	Spending auth from offsetting collections, disc (total) .....	.....	10	38
1900	Budget authority (total) .....	355	394	476
1930	Total budgetary resources available .....	546	550	573
Memorandum (non-add) entries:				
1940	Unobligated balance expiring .....	-1	.....	.....
1941	Unexpired unobligated balance, end of year .....	156	97	54
<b>Change in obligated balance:</b>				
Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1 .....	2,807	2,318	2,088
3010	Obligations incurred, unexpired accounts .....	389	453	519
3020	Outlays (gross) .....	-855	-683	-801
3040	Recoveries of prior year unpaid obligations, unexpired .....	-9	.....	.....
3041	Recoveries of prior year unpaid obligations, expired .....	-14	.....	.....
3050	Unpaid obligations, end of year .....	2,318	2,088	1,806
Memorandum (non-add) entries:				
3100	Obligated balance, start of year .....	2,807	2,318	2,088
3200	Obligated balance, end of year .....	2,318	2,088	1,806
<b>Budget authority and outlays, net:</b>				
Discretionary:				
4000	Budget authority, gross .....	355	394	476

Outlays, gross:				
4010	Outlays from new discretionary authority .....	57	132	177
4011	Outlays from discretionary balances .....	798	551	624
4020	Outlays, gross (total) .....	855	683	801
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4033	Non-Federal sources .....		-10	-38
4180	Budget authority, net (total) .....	355	384	438
4190	Outlays, net (total) .....	855	673	763

Since 1959, the Housing for the Elderly program (Section 202) has supported the construction and operation of supportive housing for very low-income elderly households, including frail elderly. The Budget provides \$350 million to renew and amend operating subsidy contracts for existing Section 202 housing, \$70 million to support service coordinators who work on-site to help residents obtain critical services, such as benefit counseling, and \$20 million for new supportive housing units. HUD is implementing changes authorized by the Consolidated Appropriations Act, 2014 that create a new generation of Section 202 housing with supportive services targeted at populations most in need of affordable housing. HUD will provide assistance to States to fund housing projects in coordination with state housing and health care priorities. Funded projects must be leveraged with other capital resources, such as Low-Income Housing Tax Credits, HOME funds, and other Federal, state, and local programs, with Section 202 funds used only for operating assistance. The Budget also continues authorities to make better use of existing resources. Using these, HUD will identify residual receipts collections, recaptures, and other unobligated balances to redirect as additional investments in housing for the elderly.

**HOUSING FOR PERSONS WITH DISABILITIES**

For amendments to capital advance contracts for supportive housing for persons with disabilities, as authorized by section 811 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8013), for project rental assistance for supportive housing for persons with disabilities under section 811(d)(2) of such Act and for project assistance contracts pursuant to section 202(h) of the Housing Act of 1959 (Public Law 86-372; 73 Stat. 667), including amendments to contracts for such assistance and renewal of expiring contracts for such assistance for up to a 1-year term, for project rental assistance to State housing finance agencies and other appropriate entities as authorized under section 811(b)(3) of the Cranston-Gonzalez National Housing Act, and for supportive services associated with the housing for persons with disabilities as authorized by section 811(b)(1) of such Act, **[\$126,000,000]** \$160,000,000, to remain available until September 30, **[2017]** 2018: *Provided*, That amounts made available under this heading shall be available for Real Estate Assessment Center inspections and inspection-related activities associated with section 811 projects: *Provided further*, That, in this fiscal year, upon the request of the Secretary of Housing and Urban Development, project funds that are held in residual receipts accounts for any project subject to a section 811 project rental assistance contract and that upon termination of such contract are in excess of an amount to be determined by the Secretary shall be remitted to the Department and deposited in this account, to be available until September 30, **[2017]** 2018: *Provided further*, That amounts deposited in this account pursuant to the previous proviso shall be available in addition to the amounts otherwise provided by this heading for the purposes authorized under this heading: *Provided further*, That unobligated balances, including recaptures and carryover, remaining from funds transferred to or appropriated under this heading may be used for the current purposes authorized under this heading notwithstanding the purposes for which such funds originally were appropriated. (*Department of Housing and Urban Development Appropriations Act, 2014.*)

## HOUSING FOR PERSONS WITH DISABILITIES—Continued

## Program and Financing (in millions of dollars)

Identification code 86-0237-0-1-604	2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>			
0001 Construction and Expansion .....	4	34	3
0002 PRAC Renewals/Amendments .....	90	98	125
0003 Mainstream Voucher Renewals .....	1	.....	.....
0004 State Housing Project Rental Assistance .....	.....	226	42
0005 PAC Renewals/Amendments .....	7	.....	.....
0900 Total new obligations (object class 41.0) .....	102	358	170
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	184	241	13
1021 Recoveries of prior year unpaid obligations .....	4	.....	.....
1050 Unobligated balance (total) .....	188	241	13
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	165	126	160
1120 Appropriations transferred to other accts [86-0402] .....	.....	.....	-1
1130 Appropriations permanently reduced .....	-9	.....	.....
1160 Appropriation, discretionary (total) .....	156	126	159
Spending authority from offsetting collections, discretionary:			
1700 Collected .....	.....	4	17
1750 Spending auth from offsetting collections, disc (total) .....	.....	4	17
1900 Budget authority (total) .....	156	130	176
1930 Total budgetary resources available .....	344	371	189
Memorandum (non-add) entries:			
1940 Unobligated balance expiring .....	-1	.....	.....
1941 Unexpired unobligated balance, end of year .....	241	13	19
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	663	540	676
3010 Obligations incurred, unexpired accounts .....	102	358	170
3020 Outlays (gross) .....	-218	-222	-192
3040 Recoveries of prior year unpaid obligations, unexpired .....	-4	.....	.....
3041 Recoveries of prior year unpaid obligations, expired .....	-3	.....	.....
3050 Unpaid obligations, end of year .....	540	676	654
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	663	540	676
3200 Obligated balance, end of year .....	540	676	654
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	156	130	176
Outlays, gross:			
4010 Outlays from new discretionary authority .....	16	21	39
4011 Outlays from discretionary balances .....	202	201	153
4020 Outlays, gross (total) .....	218	222	192
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4033 Non-Federal sources .....	.....	-4	-17
4180 Budget authority, net (total) .....	156	126	159
4190 Outlays, net (total) .....	218	218	175

Since 1992, the Housing for Persons with Disabilities program (Section 811) has supported the development of supportive housing for very low-income people with disabilities. The Budget provides \$135 million to renew and amend operating subsidy contracts for existing Section 811 housing, and \$25 million for new Project Rental Assistance (PRA) awards to state housing agencies. The latter will fund units that serve extremely low-income tenants with disabilities transitioning out of institutions, tenants with disabilities at high risk of institutionalization, or tenants with disabilities experiencing homelessness or at high risk of homelessness. HUD will continue to fund supportive housing projects in coordination with state housing and health care priorities. PRA projects must be leveraged with other capital resources, such as Low-Income Housing Tax Credits, HOME funds, and other Federal, state, and local programs, and only require Section 811 for operating assistance. Section 811 allows for States to leverage community-based care, to affirmatively

address legal requirements for integrated housing, and to provide a platform for disabled persons to live independently in integrated community-based settings.

The Budget also continues authorities to make better use of existing resources. Using these, HUD will identify residual receipts collections, recaptures, and other unobligated balances to redirect as additional investments in PRA awards.

## HOUSING COUNSELING ASSISTANCE

For contracts, grants, and other assistance excluding loans, as authorized under section 106 of the Housing and Urban Development Act of 1968, as amended, **["\$45,000,000"] \$60,000,000, to remain available until September 30, 2016,** including up to \$4,500,000 for administrative contract services: *Provided, [That grants made available from amounts provided under this heading shall be awarded within 120 days of enactment of this Act: **Provided further,** That funds shall be used for providing counseling and advice to tenants and homeowners, both current and prospective, with respect to property maintenance, financial management/literacy, and such other matters as may be appropriate to assist them in improving their housing conditions, meeting their financial needs, and fulfilling the responsibilities of tenancy or homeownership; for program administration; and for housing counselor training. (Department of Housing and Urban Development Appropriations Act, 2014.)*

## Program and Financing (in millions of dollars)

Identification code 86-0156-0-1-604	2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>			
0001 Housing Counseling Assistance .....	40	40	55
0002 Administrative Contract Services .....	2	5	5
0900 Total new obligations .....	42	45	60
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	.....	1	1
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	45	45	60
1130 Appropriations permanently reduced .....	-2	.....	.....
1160 Appropriation, discretionary (total) .....	43	45	60
1930 Total budgetary resources available .....	43	46	61
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	1	1	1
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	38	35	18
3010 Obligations incurred, unexpired accounts .....	42	45	60
3020 Outlays (gross) .....	-44	-62	-54
3041 Recoveries of prior year unpaid obligations, expired .....	-1	.....	.....
3050 Unpaid obligations, end of year .....	35	18	24
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	38	35	18
3200 Obligated balance, end of year .....	35	18	24
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	43	45	60
Outlays, gross:			
4010 Outlays from new discretionary authority .....	9	27	36
4011 Outlays from discretionary balances .....	35	35	18
4020 Outlays, gross (total) .....	44	62	54
4180 Budget authority, net (total) .....	43	45	60
4190 Outlays, net (total) .....	44	62	54

The Housing Counseling Assistance Program provides comprehensive housing counseling services to eligible homeowners and tenants through grants, oversight, technical assistance and training to non-profit intermediaries, state governmental entities, and other agencies with a local or national presence. Eligible counseling activities include pre- and post-purchase education, personal financial management, reverse mortgage counseling,



foreclosure prevention, loss mitigation, homelessness prevention, and rental counseling. The objectives of the Housing Counseling program include overcoming barriers to stable and affordable housing, expanding homeownership opportunities, preventing foreclosure, and deterring discrimination, scams and fraud. In accordance with the Dodd-Frank Wall Street Reform and Consumer Protection Act, the Housing Counseling Assistance Program will implement and oversee the individual testing and certification of all housing counselors providing HUD-approved counseling and will launch the Office of Housing Counseling Federal Advisory Committee. The 2015 Budget includes \$60 million for this program, the bulk of which funds grants to HUD-approved Housing Counseling agencies for direct services.

**Object Classification** (in millions of dollars)

Identification code 86-0156-0-1-604	2013 actual	2014 est.	2015 est.
Direct obligations:			
25.2 Other services from non-Federal sources .....		5	5
41.0 Grants, subsidies, and contributions .....	42	40	55
99.9 Total new obligations .....	42	45	60

**ENERGY INNOVATION FUND****Program and Financing** (in millions of dollars)

Identification code 86-0401-0-1-272	2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>			
0001 Energy Efficient Mortgage Innovation Pilot .....	3		
0900 Total new obligations (object class 41.0) .....	3		
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	8		
1021 Recoveries of prior year unpaid obligations .....	1		
1050 Unobligated balance (total) .....	9		
1930 Total budgetary resources available .....	9		
Memorandum (non-add) entries:			
1940 Unobligated balance expiring .....	-6		
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	40	36	17
3010 Obligations incurred, unexpired accounts .....	3		
3020 Outlays (gross) .....	-6	-19	-9
3040 Recoveries of prior year unpaid obligations, unexpired .....	-1		
3050 Unpaid obligations, end of year .....	36	17	8
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	40	36	17
3200 Obligated balance, end of year .....	36	17	8
<b>Budget authority and outlays, net:</b>			
Discretionary:			
Outlays, gross:			
4011 Outlays from discretionary balances .....	6	19	9
4190 Outlays, net (total) .....	6	19	9

The Energy Innovation Fund provided support for local initiatives that could be replicated across the nation and to stimulate and enhance private investment in cost-saving energy efficiency retrofits of existing housing, through improved use of FHA single family and multifamily mortgage products. There have been no appropriations for this program since 2010 and this account now reflects only the liquidation of prior year obligations.

**EMERGENCY HOMEOWNERS' RELIEF FUND****Program and Financing** (in millions of dollars)

Identification code 86-0407-0-1-371	2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>			
Credit program obligations:			
0701 Direct loan subsidy .....	4		
0900 Total new obligations (object class 41.0) .....	4		
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	185	181	
1029 Other balances withdrawn .....		-181	
1050 Unobligated balance (total) .....	185		
1930 Total budgetary resources available .....	185		
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	181		
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	215	166	103
3010 Obligations incurred, unexpired accounts .....	4		
3020 Outlays (gross) .....	-53	-63	-66
3050 Unpaid obligations, end of year .....	166	103	37
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	215	166	103
3200 Obligated balance, end of year .....	166	103	37
<b>Budget authority and outlays, net:</b>			
Mandatory:			
Outlays, gross:			
4101 Outlays from mandatory balances .....	53	63	66
4190 Outlays, net (total) .....	53	63	66

**Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program** (in millions of dollars)

Identification code 86-0407-0-1-371	2013 actual	2014 est.	2015 est.
Direct loan levels supportable by subsidy budget authority:			
115001 Emergency Homeowners' Relief .....	4		
115999 Total direct loan levels .....	4		
Direct loan subsidy (in percent):			
132001 Emergency Homeowners' Relief .....	97.71		
132999 Weighted average subsidy rate .....	97.71		
Direct loan subsidy budget authority:			
133001 Emergency Homeowners' Relief .....	4		
133999 Total subsidy budget authority .....	4		
Direct loan subsidy outlays:			
134001 Emergency Homeowners' Relief .....	18		
134999 Total subsidy outlays .....	18		

The Emergency Homeowners' Loan Program (EHL) provided emergency mortgage assistance to homeowners who were unemployed or underemployed due to economic or medical conditions. The program became effective October 1, 2010 and, per statute, stopped accepting applications on September 30, 2011. This account reflects no new obligations but displays the liquidation of prior year obligations.

**EMERGENCY HOMEOWNERS' RELIEF FINANCING ACCOUNT****Program and Financing** (in millions of dollars)

Identification code 86-4357-0-3-371	2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>			
Credit program obligations:			
0710 Direct loan obligations .....	4		
0900 Total new obligations .....	4		
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	3	1	1

**EMERGENCY HOMEOWNERS' RELIEF FINANCING ACCOUNT—Continued**  
**Program and Financing—Continued**

Identification code 86-4357-0-3-371		2013 actual	2014 est.	2015 est.
1020	Adjustment of unobligated bal brought forward, Oct 1 .....	-3		
1029	Other balances withdrawn .....		-1	-1
Financing authority:				
Borrowing authority, mandatory:				
1400	Borrowing authority .....	1		
1440	Borrowing authority, mandatory (total) .....	1		
Spending authority from offsetting collections, mandatory:				
1800	Positive Subsidy .....	18		
1800	Repayments .....		1	1
1801	Change in uncollected payments, Federal sources .....	-14		
1850	Spending auth from offsetting collections, mand (total) .....	4	1	1
1900	Financing authority (total) .....	5	1	1
1930	Total budgetary resources available .....	5	1	1
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year .....	1	1	1
<b>Change in obligated balance:</b>				
Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1 .....	51	36	36
3010	Obligations incurred, unexpired accounts .....	4		
3020	Financing disbursements (gross) .....	-19		
3050	Unpaid obligations, end of year .....	36	36	36
Uncollected payments:				
3060	Uncollected pymts, Fed sources, brought forward, Oct 1 .....	-50	-36	-36
3070	Change in uncollected pymts, Fed sources, unexpired .....	14		
3090	Uncollected pymts, Fed sources, end of year .....	-36	-36	-36
Memorandum (non-add) entries:				
3100	Obligated balance, start of year .....	1		
<b>Financing authority and disbursements, net:</b>				
Mandatory:				
4090	Financing authority, gross .....	5	1	1
Financing disbursements:				
4110	Financing disbursements, gross .....	19		
Offsets against gross financing authority and disbursements:				
Offsetting collections (collected) from:				
4120	Federal sources .....	-18		
4123	Repayments of principal, net .....		-1	-1
4130	Offsets against gross financing auth and disbursements (total) .....	-18	-1	-1
Additional offsets against financing authority only (total):				
4140	Change in uncollected pymts, Fed sources, unexpired .....	14		
4160	Financing authority, net (mandatory) .....	1		
4170	Financing disbursements, net (mandatory) .....	1	-1	-1
4180	Financing authority, net (total) .....	1		
4190	Financing disbursements, net (total) .....	1	-1	-1

**Status of Direct Loans (in millions of dollars)**

Identification code 86-4357-0-3-371		2013 actual	2014 est.	2015 est.
Position with respect to appropriations act limitation on obligations:				
1121	Limitation available from carry-forward .....	771	767	767
1143	Unobligated limitation carried forward (P.L. xx) (-) .....	-767	-767	-767
1150	Total direct loan obligations .....	4		
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year .....	68	63	42
1231	Disbursements: Direct loan disbursements .....	19		
1251	Repayments: Repayments and prepayments .....		-1	-1
1263	Write-offs for default: Direct loans .....	-24	-20	-20
1290	Outstanding, end of year .....	63	42	21

This non-budgetary account records all cash flows to and from the Government resulting from the loan guarantees (including modifications of loan guarantees that resulted from obligations in any year). The amounts in this account are a means of financing and are not included in the budget totals. No administrative expenses can be recorded in the financing account.

**Balance Sheet (in millions of dollars)**

Identification code 86-4357-0-3-371		2012 actual	2013 actual
<b>ASSETS:</b>			
1101	Federal assets: Fund balances with Treasury .....	4	4
Net value of assets related to post-1991 direct loans receivable:			
1401	Direct loans receivable, gross .....	68	63
1405	Allowance for subsidy cost (-) .....	-68	-63
1499	Net present value of assets related to direct loans .....		
1999	Total assets .....	4	4
<b>LIABILITIES:</b>			
2103	Federal liabilities: Debt payable to Treasury .....	4	4
4999	Total upward reestimate subsidy BA [86-0407] .....	4	4

**OTHER ASSISTED HOUSING PROGRAMS**

*OTHER ASSISTED HOUSING PROGRAMS*

**RENTAL HOUSING ASSISTANCE**

For amendments to contracts under section 101 of the Housing and Urban Development Act of 1965 (12 U.S.C. 1701s) and section 236(f)(2) of the National Housing Act (12 U.S.C. 1715z-1) in State-aided, noninsured rental housing projects, **[\$21,000,000] \$28,000,000**, to remain available until expended: *Provided*, That such amount, together with unobligated balances from recaptured amounts appropriated prior to fiscal year 2006 from terminated contracts under such sections of law, and any unobligated balances, including recaptures and carryover, remaining from funds appropriated under this heading after fiscal year 2005, shall also be available for extensions of up to one year for expiring contracts under such sections of law.

**【RENT SUPPLEMENT】**

**【(RESCISSION)】**

【Of the amounts recaptured from terminated contracts under section 101 of the Housing and Urban Development Act of 1965 (12 U.S.C. 1701s) and section 236 of the National Housing Act (12 U.S.C. 1715z-1) \$3,500,000 are rescinded: *Provided*, That no amounts may be rescinded from amounts that were designated by the Congress as an emergency requirement pursuant to the Concurrent Resolution on the Budget or the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.】 (*Department of Housing and Urban Development Appropriations Act, 2014.*)

**Program and Financing (in millions of dollars)**

Identification code 86-0206-0-1-999		2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>				
0001	Rent supplement .....	14	17	15
0002	Homeownership and rental housing assistance (Sections 235 and 236) .....	21	26	23
0900	Total new obligations (object class 41.0) .....	35	43	38
<b>Budgetary Resources:</b>				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1 .....	70	49	25
1021	Recoveries of prior year unpaid obligations .....	28	2	
1025	Unobligated balance of contract authority withdrawn .....	-9		
1029	Other balances withdrawn .....	-9		
1050	Unobligated balance (total) .....	80	51	25
Budget authority:				
Appropriations, discretionary:				
1100	Appropriation .....	1	21	28
1131	Unobligated balance of appropriations permanently reduced .....		-4	
1160	Appropriation, discretionary (total) .....	1	17	28
Appropriations, mandatory:				
1200	Appropriation .....	397	444	22
1238	Appropriations applied to liquidate contract authority .....	-397	-444	-22
Spending authority from offsetting collections, discretionary:				
1700	Collected .....	3		
1750	Spending auth from offsetting collections, disc (total) .....	3		

1900	Budget authority (total) .....	4	17	28
1930	Total budgetary resources available .....	84	68	53
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year .....	49	25	15
<b>Change in obligated balance:</b>				
Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1 .....	1,961	1,574	1,243
3010	Obligations incurred, unexpired accounts .....	35	43	38
3020	Outlays (gross) .....	-394	-372	-300
3040	Recoveries of prior year unpaid obligations, unexpired .....	-28	-2	
3050	Unpaid obligations, end of year .....	1,574	1,243	981
Memorandum (non-add) entries:				
3100	Obligated balance, start of year .....	1,961	1,574	1,243
3200	Obligated balance, end of year .....	1,574	1,243	981
<b>Budget authority and outlays, net:</b>				
Discretionary:				
4000	Budget authority, gross .....	4	17	28
Outlays, gross:				
4010	Outlays from new discretionary authority .....	1	8	13
4011	Outlays from discretionary balances .....	393	364	287
4020	Outlays, gross (total) .....	394	372	300
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4033	Non-Federal sources .....	-3		
4180	Budget authority, net (total) .....	1	17	28
4190	Outlays, net (total) .....	391	372	300
<b>Memorandum (non-add) entries:</b>				
5052	Obligated balance, SOY: Contract authority .....	872	466	22
5053	Obligated balance, EOY: Contract authority .....	466	22	

The Other Assisted Housing account contains the programs listed below:

**Rent Supplement.**—Rent Supplement assistance payments will continue to be made on behalf of qualified low-income tenants in approximately 5,000 units that have not converted to Section 8.

**Section 235.**—The Housing and Urban-Rural Recovery Act of 1983 (P.L. 98–181) authorized a restructured Section 235 (Homeownership Assistance) program that provided homeowners a 10-year interest reduction subsidy on their mortgages.

**Section 236.**—The Housing and Urban Development Act of 1968, as amended, authorizes the Section 236 Rental Housing Assistance Program, which subsidizes the monthly mortgage payment that an owner of a rental or cooperative project is required to make. This interest subsidy reduces rents for lower income tenants. Some Section 236 properties (approximately 11,000 units) also have rental assistance contracts with HUD through the Rental Assistance Payment (RAP) program.

As an increasing number of Rent Supplement and RAP rental assistance contracts reach the ends of their terms, the funding needs of the account have shifted from amendments to short-term extensions that help preserve this affordable housing stock while long term preservation strategies are pursued. The Rental Assistance Demonstration (RAD) currently enables owners of properties with expiring Rent Supplement or RAP contracts to convert their assistance to long-term, project-based voucher contracts. The Budget proposes to extend and expand RAD conversion options for Rent Supplement and RAP contracts. More information on this Demonstration is available under the RAD heading.

#### HOMEOWNERSHIP AND OPPORTUNITY FOR PEOPLE EVERYWHERE GRANTS (HOPE GRANTS)

##### Program and Financing (in millions of dollars)

Identification code 86–0196–0–1–604	2013 actual	2014 est.	2015 est.
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000	Unobligated balance brought forward, Oct 1 .....	1	1

1029	Other balances withdrawn .....	-1	
1050	Unobligated balance (total) .....	1	
1930	Total budgetary resources available .....	1	
Memorandum (non-add) entries:			
1941	Unexpired unobligated balance, end of year .....	1	

The Homeownership and Opportunity for People Everywhere Program, funded from 1992–1995, provided affordable homeownership opportunities for low-income families. Units were converted to homeownership from public and Indian housing properties in HOPE I, from FHA-insured and Government-held multifamily properties in HOPE II, and from Government-owned or -held single family properties in HOPE III. HOPE Grants were used for property acquisition, rehabilitation, mortgage subsidies, security measures, and technical assistance. In addition, grants have been devoted to counseling and training of residents, and other activities intended to help them become economically self-sufficient homeowners.

#### GREEN RETROFIT PROGRAM FOR MULTIFAMILY HOUSING, RECOVERY ACT

##### Program and Financing (in millions of dollars)

Identification code 86–0306–0–1–604	2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>			
0001	Direct program activity .....	1	
0900	Total new obligations (object class 99.5) .....	1	
<b>Budgetary Resources:</b>			
Budget authority:			
Appropriations, mandatory:			
1200	Appropriation .....	1	
1260	Appropriations, mandatory (total) .....	1	
1900	Budget authority (total) .....	1	
1930	Total budgetary resources available .....	1	
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000	Unpaid obligations, brought forward, Oct 1 .....	4	1
3010	Obligations incurred, unexpired accounts .....	1	
3041	Recoveries of prior year unpaid obligations, expired .....	-4	-1
3050	Unpaid obligations, end of year .....	1	
Memorandum (non-add) entries:			
3100	Obligated balance, start of year .....	4	1
3200	Obligated balance, end of year .....	1	
<b>Budget authority and outlays, net:</b>			
Mandatory:			
4090	Budget authority, gross .....	1	
4180	Budget authority, net (total) .....	1	

##### Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 86–0306–0–1–604	2013 actual	2014 est.	2015 est.
Direct loan downward reestimates:			
137001	Energy Retrofit Loans .....	-5	
137999	Total downward reestimate budget authority .....	-5	

The Green Retrofit Program (GRP) offered grants and loans to owners of eligible HUD-assisted multifamily housing properties to fund green retrofits, which are intended to reduce ongoing utility consumption, benefit resident health, and benefit the environment. This program was funded under Title XII of the American Recovery and Reinvestment Act of 2009 (P.L. 111–5). This account includes funds for grants, direct loan credit subsidy, and administrative expenses. All loan cash flows are recorded in the corresponding financing account (86–4589).

## RENTAL HOUSING ASSISTANCE FUND

## Program and Financing (in millions of dollars)

Identification code 86-4041-0-3-604	2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>			
0801 Transfer to HUD's Flexible Subsidy Fund .....	3		
0900 Total new obligations (object class 94.0) .....	3		
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	4	4	7
Budget authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected .....	3	3	3
1850 Spending auth from offsetting collections, mand (total) .....	3	3	3
1930 Total budgetary resources available .....	7	7	10
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	4	7	10
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3010 Obligations incurred, unexpired accounts .....	3		
3020 Outlays (gross) .....	-3		
<b>Budget authority and outlays, net:</b>			
Mandatory:			
4090 Budget authority, gross .....	3	3	3
Outlays, gross:			
4101 Outlays from mandatory balances .....	3		
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4123 Non-Federal sources .....	-3	-3	-3
4190 Outlays, net (total) .....		-3	-3

The Housing and Urban Development Act of 1968 authorized the Secretary to establish a revolving fund into which rental collections in excess of the established basic rents for units in Section 236 subsidized projects would be deposited.

The Housing and Community Development Amendment of 1978 authorized the Secretary, subject to approval in appropriation acts, to transfer excess rent collections received after 1978 to the Troubled Projects Operating Subsidy program, renamed the Flexible Subsidy Fund. Prior to that time, collections were used for paying tax and utility increases in Section 236 projects. The Housing and Community Development Act of 1980 amended the 1978 Act by authorizing the transfer of excess rent collections regardless of when collected.

The Consolidated Appropriations Act, 2014 included a general provision that eliminated the mandated transfer of excess resources from the Rental Housing Assistance Fund to the Flexible Subsidy Fund.

## Object Classification (in millions of dollars)

Identification code 86-4041-0-3-604	2013 actual	2014 est.	2015 est.
Reimbursable obligations:			
94.0 Financial transfers .....	3		
99.0 Reimbursable obligations .....	3		

## FLEXIBLE SUBSIDY FUND

## Program and Financing (in millions of dollars)

Identification code 86-4044-0-3-604	2013 actual	2014 est.	2015 est.
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	255	294	338
Budget authority:			
Spending authority from offsetting collections, discretionary:			
1700 Collected .....	41	44	44

1723	New and/or unobligated balance of spending authority from offsetting collections temporarily reduced .....	-2		
1750	Spending auth from offsetting collections, disc (total) .....	39	44	44
1930	Total budgetary resources available .....	294	338	382
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year .....	294	338	382
<b>Budget authority and outlays, net:</b>				
Discretionary:				
4000	Budget authority, gross .....	39	44	44
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4030	Federal sources .....	-3		
4033	Non-Federal sources .....	-38	-44	-44
4040	Offsets against gross budget authority and outlays (total) ....	-41	-44	-44
4070	Budget authority, net (discretionary) .....	-2		
4080	Outlays, net (discretionary) .....	-41	-44	-44
4180	Budget authority, net (total) .....	-2		
4190	Outlays, net (total) .....	-41	-44	-44
<b>Memorandum (non-add) entries:</b>				
5090	Unavailable balance, SOY: Offsetting collections .....		2	2
5091	Unavailable balance, EOY: Offsetting collections .....	2	2	2

## Status of Direct Loans (in millions of dollars)

Identification code 86-4044-0-3-604	2013 actual	2014 est.	2015 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year .....	533	508	483
1251 Repayments: Repayments and prepayments .....	-25	-25	-25
1290 Outstanding, end of year .....	508	483	458

The Flexible Subsidy Fund assisted financially troubled subsidized projects under certain Federal Housing Administration (FHA) authorities. The subsidies were intended to prevent potential losses to the FHA fund resulting from project insolvency and to preserve these projects as a viable source of housing for low and moderate-income tenants. Priority was given to projects with Federal insurance-in-force and then to those with mortgages that had been assigned to the Department of Housing and Urban Development.

The Consolidated Appropriations Act, 2014 included a general provision that eliminated the mandated transfer of excess resources from the Rental Housing Assistance Fund to the Flexible Subsidy Fund.

## Balance Sheet (in millions of dollars)

Identification code 86-4044-0-3-604	2012 actual	2013 actual
<b>ASSETS:</b>		
1101 Federal assets: Fund balances with Treasury .....	255	296
1601 Direct loans, gross .....	508	479
1602 Interest receivable .....	96	92
1603 Allowance for estimated uncollectible loans and interest (-) .....	-44	-49
1699 Value of assets related to direct loans .....	560	522
1999 Total assets .....	815	818
<b>NET POSITION:</b>		
3100 Unexpended appropriations .....	255	296
3300 Cumulative results of operations .....	560	522
3999 Total net position .....	815	818
4999 Total liabilities and net position .....	815	818

## HOME OWNERSHIP PRESERVATION EQUITY FUND PROGRAM ACCOUNT

## Program and Financing (in millions of dollars)

Identification code 86-0343-0-1-371	2013 actual	2014 est.	2015 est.
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	461	462	.....
1023 Unobligated balances applied to repay debt .....	.....	-462	.....
1050 Unobligated balance (total) .....	461	.....	.....
Budget authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected .....	1	.....	.....
1850 Spending auth from offsetting collections, mand (total) .....	1	.....	.....
1900 Budget authority (total) .....	1	.....	.....
1930 Total budgetary resources available .....	462	.....	.....
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	462	.....	.....
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	1	1	1
3050 Unpaid obligations, end of year .....	1	1	1
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	1	1	1
3200 Obligated balance, end of year .....	1	1	1
<b>Budget authority and outlays, net:</b>			
Mandatory:			
4090 Budget authority, gross .....	1	.....	.....
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4120 Federal sources .....	-1	.....	.....
4190 Outlays, net (total) .....	-1	.....	.....

The HOPE for Homeowners program was created by the Housing and Economic Recovery Act of 2008 to help homeowners at risk of default and foreclosure refinance into more affordable, sustainable loans. Under the Program, eligible homeowners refinanced their current mortgage loans into a new mortgage insured by FHA. The program ended on September 30, 2011. This account now only reflects the liquidation of prior year obligations.

## HOME OWNERSHIP PRESERVATION ENTITY FUND FINANCING ACCOUNT

## Program and Financing (in millions of dollars)

Identification code 86-4353-0-3-371	2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>			
Credit program obligations:			
0711 Default claim payments on principal .....	3	2	2
0712 Default claim payments on interest .....	.....	1	1
0900 Total new obligations .....	3	3	3
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	20	19	17
Financing authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected .....	2	1	1
1850 Spending auth from offsetting collections, mand (total) .....	2	1	1
1930 Total budgetary resources available .....	22	20	18
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	19	17	15
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	.....	.....	1
3010 Obligations incurred, unexpired accounts .....	3	3	3
3020 Financing disbursements (gross) .....	-3	-2	-2
3050 Unpaid obligations, end of year .....	.....	1	2
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	.....	.....	1
3200 Obligated balance, end of year .....	.....	1	2

## Financing authority and disbursements, net:

Mandatory:			
4090 Financing authority, gross .....	2	1	1
Financing disbursements:			
4110 Financing disbursements, gross .....	3	2	2
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4122 Interest on uninvested funds .....	-1	.....	.....
4123 Premiums .....	-1	.....	.....
4123 Recoveries on defaults .....	.....	-1	-1
4130 Offsets against gross financing auth and disbursements (total) .....	-2	-1	-1
4170 Financing disbursements, net (mandatory) .....	1	1	1
4190 Financing disbursements, net (total) .....	1	1	1

## Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4353-0-3-371	2013 actual	2014 est.	2015 est.
Position with respect to appropriations act limitation on commitments:			
2143 Uncommitted limitation carried forward .....	.....	.....	.....
2150 Total guaranteed loan commitments .....	.....	.....	.....
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year .....	122	113	109
2251 Repayments and prepayments .....	-6	-2	-2
2262 Adjustments: Terminations for default that result in acquisition of property .....	-3	-2	-2
2290 Outstanding, end of year .....	113	109	105
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year .....	113	109	105

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from loans insured in 1992 and thereafter. The amounts in this account are considered a means of financing and are not included in the budget totals.

## Balance Sheet (in millions of dollars)

Identification code 86-4353-0-3-371	2012 actual	2013 actual
<b>ASSETS:</b>		
1101 Federal assets: Fund balances with Treasury .....	16	20
Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable:		
1504 Foreclosed property .....	.....	1
1505 Allowance for subsidy cost (-) .....	.....	-1
1599 Net present value of assets related to defaulted guaranteed loans .....	.....	.....
1999 Total assets .....	16	20
<b>LIABILITIES:</b>		
2204 Non-Federal liabilities: Liabilities for loan guarantees .....	16	20
4999 Total liabilities and net position .....	16	20

## NEHEMIAH HOUSING OPPORTUNITY FUND

## Program and Financing (in millions of dollars)

Identification code 86-4071-0-3-604	2013 actual	2014 est.	2015 est.
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	.....	1	1
1021 Recoveries of prior year unpaid obligations .....	1	.....	.....
1029 Other balances withdrawn .....	.....	.....	-1
1050 Unobligated balance (total) .....	1	1	.....
1930 Total budgetary resources available .....	1	1	.....
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	1	1	.....
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	1	.....	.....

NEHEMIAH HOUSING OPPORTUNITY FUND—Continued  
Program and Financing—Continued

Identification code 86-4071-0-3-604	2013 actual	2014 est.	2015 est.
3040 Recoveries of prior year unpaid obligations, unexpired .....	-1		
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	1		

The Nehemiah Grants program was authorized by the Housing and Community Development Act of 1987 to provide loans to eligible families to assist in the purchase of new or substantially rehabilitated units.

MUTUAL MORTGAGE INSURANCE PROGRAM ACCOUNT  
(INCLUDING TRANSFERS OF FUNDS)

New commitments to guarantee single family loans insured under the Mutual Mortgage Insurance Fund shall not exceed \$400,000,000,000, to remain available until September 30, [2015] 2016: *Provided*, That during fiscal year [2014] 2015, obligations to make direct loans to carry out the purposes of section 204(g) of the National Housing Act, as amended, shall not exceed \$20,000,000: *Provided further*, That the foregoing amount in the previous proviso shall be for loans to nonprofit and governmental entities in connection with sales of single family real properties owned by the Secretary and formerly insured under the Mutual Mortgage Insurance Fund.

For administrative contract expenses of the Federal Housing Administration, [\$127,000,000] \$170,000,000, to remain available until September 30, [2015] 2016, of which up to \$15,000,000 may be used for necessary salaries and expenses of the Federal Housing Administration, which is in addition to amounts otherwise provided under this title for such purposes: *Provided further*, That any amounts to be used in fiscal year 2015 for such salaries and expenses pursuant to the previous proviso shall be transferred to the "Housing" account under the heading "Program Office Salaries and Expenses" under this title and shall remain available until September 30, 2015, and any such transferred amounts may be transferred back to this account on or before September 30, 2015, and shall remain available until September 30, 2016: *Provided further*, That to the extent guaranteed loan commitments exceed \$200,000,000,000 on or before April 1, 2014, an additional \$1,400 for administrative contract expenses shall be available for each \$1,000,000 in additional guaranteed loan commitments (including a pro rata amount for any amount below \$1,000,000), but in no case shall funds made available by this proviso exceed \$30,000,000: *Provided further*, That receipts from administrative support fees collected pursuant to section 202 of the National Housing Act, as amended by section 244 of this title, shall be credited as offsetting collections to this account. (Department of Housing and Urban Development Appropriations Act, 2014.)

## Program and Financing (in millions of dollars)

Identification code 86-0183-0-1-371	2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>			
Credit program obligations:			
0707 Reestimates of loan guarantee subsidy .....	22,744	5,067	
0708 Interest on reestimates of loan guarantee subsidy .....	4,929	702	
0709 Administrative expenses .....	110	161	169
0900 Total new obligations .....	27,783	5,930	169
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	15	34	
1001 Discretionary unobligated balance brought fwd, Oct 1 .....	15		
1011 Unobligated balance transfer from other accts [86-0236] .....	3,293		
1020 Adjustment of unobligated bal brought forward, Oct 1 .....	1		
1021 Recoveries of prior year unpaid obligations .....	1		
1050 Unobligated balance (total) .....	3,310	34	
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation - Administrative Expenses .....	207	127	170
1120 Appropriations transferred to other accts [86-4586] .....	-68		
1120 Appropriations transferred to other accts [86-0402] .....			-1

1130 Appropriations permanently reduced .....	-11		
1160 Appropriation, discretionary (total) .....	128	127	169
Appropriations, mandatory:			
1200 Appropriation .....	1,686		
1260 Appropriations, mandatory (total) .....	1,686		
Spending authority from offsetting collections, discretionary:			
1700 Collected .....			30
1725 Spending authority from offsetting collections precluded from obligation (limitation on obligations) .....			-30
Spending authority from offsetting collections, mandatory:			
1811 Spending authority from offsetting collections transferred from other accounts [86-0236] .....	22,694	5,769	
1850 Spending auth from offsetting collections, mand (total) .....	22,694	5,769	
1900 Budget authority (total) .....	24,508	5,896	169
1930 Total budgetary resources available .....	27,818	5,930	169
Memorandum (non-add) entries:			
1940 Unobligated balance expiring .....	-1		
1941 Unexpired unobligated balance, end of year .....	34		

## Change in obligated balance:

Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	155	148	207
3001 Adjustments to unpaid obligations, brought forward, Oct 1 .....	-1		
3010 Obligations incurred, unexpired accounts .....	27,783	5,930	169
3020 Outlays (gross) .....	-27,780	-5,871	-147
3040 Recoveries of prior year unpaid obligations, unexpired .....	-1		
3041 Recoveries of prior year unpaid obligations, expired .....	-8		
3050 Unpaid obligations, end of year .....	148	207	229
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	154	148	207
3200 Obligated balance, end of year .....	148	207	229

## Budget authority and outlays, net:

Discretionary:			
4000 Budget authority, gross .....	128	127	169
Outlays, gross:			
4010 Outlays from new discretionary authority .....	11	13	17
4011 Outlays from discretionary balances .....	96	89	130
4020 Outlays, gross (total) .....	107	102	147
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4033 Non-Federal sources .....			-30
Mandatory:			
4090 Budget authority, gross .....	24,380	5,769	
Outlays, gross:			
4100 Outlays from new mandatory authority .....	24,380	5,769	
4101 Outlays from mandatory balances .....	3,293		
4110 Outlays, gross (total) .....	27,673	5,769	
4180 Budget authority, net (total) .....	24,508	5,896	139
4190 Outlays, net (total) .....	27,780	5,871	117

## Memorandum (non-add) entries:

5091 Unavailable balance, EOY: Offsetting collections .....			30
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## Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 86-0183-0-1-371	2013 actual	2014 est.	2015 est.
Direct loan levels supportable by subsidy budget authority:			
115001 MMI Fund, Direct loans .....		20	20
115999 Total direct loan levels .....		20	20
Direct loan subsidy (in percent):			
132001 MMI Fund, Direct loans .....		0.00	0.00
132999 Weighted average subsidy rate .....		0.00	0.00
Guaranteed loan levels supportable by subsidy budget authority:			
215002 MMI Fund .....	240,126	139,737	134,707
215004 MMI HECM .....	14,776	13,493	15,860
215005 MMI Refi .....	262	300	75
215999 Total loan guarantee levels .....	255,164	153,530	150,642
Guaranteed loan subsidy (in percent):			
232002 MMI Fund .....	-7.11	-7.25	-9.03
232004 MMI HECM .....	-2.47	-0.41	-0.23
232005 MMI Refi .....	0.00	0.00	0.00
232999 Weighted average subsidy rate .....	-6.83	-6.63	-8.10
Guaranteed loan subsidy budget authority:			
233002 MMI Fund .....	-17,078	-10,131	-12,164
233004 MMI HECM .....	-366	-55	-36

233007	HAWK Pilot .....			10
233999	Total subsidy budget authority .....	-17,444	-10,186	-12,190
	Guaranteed loan subsidy outlays:			
234002	MMI Fund .....	-17,079	-10,131	-12,164
234004	MMI HECM .....	-366	-55	-36
234007	HAWK Pilot .....			10
234999	Total subsidy outlays .....	-17,445	-10,186	-12,190
	Guaranteed loan upward reestimates:			
235002	MMI Fund .....	22,156	4,722	
235004	MMI HECM .....	5,517	1,046	
235999	Total upward reestimate budget authority .....	27,673	5,768	
	Guaranteed loan downward reestimates:			
237002	MMI Fund .....	-5,241	-1,488	
237004	MMI HECM .....		-1,762	
237999	Total downward reestimate subsidy budget authority .....	-5,241	-3,250	
Administrative expense data:				
3510	Budget authority .....	128	161	169
3580	Outlays from balances .....	96	89	47
3590	Outlays from new authority .....	11	13	13

The Federal Housing Administration (FHA) provides mortgage insurance to encourage lenders to make credit available to borrowers for whom the conventional market does not adequately serve. These include first-time homebuyers, minorities, lower-income families, and residents of underserved areas (central cities and rural areas). In recent years, FHA has also served broader populations, providing access as conventional financing became scarce.

In 2015, the Budget requests a limitation of \$400 billion on loan guarantees for the Mutual Mortgage Insurance (MMI) Fund. The Budget projects insurance of \$135 billion in single family forward mortgages and \$15.9 billion in Home Equity Conversion Mortgages (HECMs) with additional commitment authority available in case these amounts are exceeded during execution. Since October 2010, FHA has increased its annual premium six times, the most recent increase was implemented in May 2013. Additionally, FHA ended a policy whereby borrowers were permitted to stop paying annual insurance premiums when their loans amortized to a certain percentage of the original principal balance. FHA also now requires manual underwriting for loans with credit scores below 620 and debt-to-income ratios greater than 43 percent in order to ensure that such borrowers possess compensating factors that accord with FHA underwriting guidelines.

Apart from the Budget, HUD is pursuing a comprehensive legislative package which will give FHA the tools it needs to build upon the many administrative steps it has taken since 2009 to strengthen FHA Single Family Programs. These items will allow FHA to enhance enforcement, create certainty for FHA approved lenders, and enhance loss mitigation opportunities for borrowers with FHA approved loans. In total, all these steps will reduce losses to the MMI Fund.

**Enhanced Indemnification Authority to Obtain Indemnification for Direct Endorsement Lenders.**—In order to originate FHA insured loans, lenders must be approved by FHA to be either a Lender Insurance or a Direct Endorsement Lender. FHA can only seek indemnification from lenders with Lender Insurance approval. This authority would provide FHA the ability to treat both classes of FHA approved lenders equally with respect to non-compliant loans.

**Authority to Terminate Origination and Underwriting Approval.**—HUD will continue to seek authority to terminate lender approval on a broader geographic basis for institutions with default rates significantly higher than their peers.

**Directed Sub-Servicing.**—HUD will seek authority enabling FHA to, on a case by case basis, require third party servicing of loans by institutions better equipped to reduce losses to the fund and assist borrowers.

**Revise FHA's Compare Ratio.**—In an effort to provide greater clarity and certainty to lenders while enabling FHA to more effectively minimize poor lender performance and resulting losses, HUD seeks legislative authority to revise the calculation for the Compare Ratio to better reflect the modern lending environment.

The Budget requests an appropriation of \$170 million in administrative expenses, which will allow FHA to implement improved risk management systems critical for FHA's oversight of its insured portfolio. The Budget also requests authority to charge lenders an administrative support fee, which would generate an estimated \$30 million in offsetting collections in this account. These additional resources will fund enhancements to administrative contract support and FHA staffing, with a focus on increasing the number of loans reviewed annually for quality assurance. By increasing capacity to review recently endorsed loans, FHA will ensure lender compliance with FHA endorsement policies and reduce losses to the FHA insurance fund. The Budget allows for a transfer of up to \$15 million from this account to the Office of Housing Salaries and Expenses account.

As required by the Federal Credit Reform Act of 1990, this account records the subsidy costs, if any, associated with the loan guarantees committed in 1992 and thereafter. The subsidy amounts are estimated on a present value basis.

#### Object Classification (in millions of dollars)

Identification code 86-0183-0-1-371	2013 actual	2014 est.	2015 est.
Direct obligations:			
25.2 Other services from non-Federal sources .....	110	161	169
41.0 Grants, subsidies, and contributions .....	22,744	5,067	
43.0 Interest and dividends .....	4,929	702	
99.9 Total new obligations .....	27,783	5,930	169

#### FHA-MUTUAL MORTGAGE INSURANCE DIRECT LOAN FINANCING ACCOUNT

##### Program and Financing (in millions of dollars)

Identification code 86-4242-0-3-371	2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>			
0003 Claims & other .....		4	4
Credit program obligations:			
0710 Direct loan obligations .....		20	20
0713 Payment of interest to Treasury .....		2	2
0791 Direct program activities, subtotal .....		22	22
0900 Total new obligations .....		26	26
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	5	6	25
Financing authority:			
Borrowing authority, mandatory:			
1400 Borrowing authority .....	1	20	20
1440 Borrowing authority, mandatory (total) .....	1	20	20
Spending authority from offsetting collections, mandatory:			
1800 Collected .....		25	25
1850 Spending auth from offsetting collections, mand (total) .....		25	25
1900 Financing authority (total) .....	1	45	45
1930 Total budgetary resources available .....	6	51	70
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	6	25	44
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3010 Obligations incurred, unexpired accounts .....		26	26
3020 Financing disbursements (gross) .....		-26	-26
<b>Financing authority and disbursements, net:</b>			
Mandatory:			
4090 Financing authority, gross .....	1	45	45

**FHA-MUTUAL MORTGAGE INSURANCE DIRECT LOAN FINANCING**  
**ACCOUNT—Continued**  
**Program and Financing—Continued**

Identification code 86-4242-0-3-371	2013 actual	2014 est.	2015 est.
Financing disbursements:			
4110 Financing disbursements, gross .....		26	26
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4122 Interest on uninvested funds .....		-1	-1
4123 Repayment of Principal .....		-20	-20
4123 Repayment of interest .....		-4	-4
4130 Offsets against gross financing auth and disbursements (total) .....		-25	-25
4160 Financing authority, net (mandatory) .....	1	20	20
4170 Financing disbursements, net (mandatory) .....		1	1
4180 Financing authority, net (total) .....	1	20	20
4190 Financing disbursements, net (total) .....		1	1

**Status of Direct Loans (in millions of dollars)**

Identification code 86-4242-0-3-371	2013 actual	2014 est.	2015 est.
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans .....	50	20	20
1142 Unobligated direct loan limitation (-) .....	-50		
1150 Total direct loan obligations .....		20	20
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year .....			
1231 Disbursements: Direct loan disbursements .....		20	20
1251 Repayments: Repayments and prepayments .....		-20	-20
1290 Outstanding, end of year .....			

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from direct loans obligated in 1992 and thereafter (including modifications of direct loans that resulted from obligations in any year). The amounts in this account are a means of financing and are not included in the budget totals.

**Balance Sheet (in millions of dollars)**

Identification code 86-4242-0-3-371	2012 actual	2013 actual
<b>ASSETS:</b>		
1101 Federal assets: Fund balances with Treasury .....	5	6
1405 Net value of assets related to post-1991 direct loans receivable:		-5
Allowance for subsidy cost (-) .....		
1999 Total assets .....	5	1
<b>LIABILITIES:</b>		
Federal liabilities:		
2103 Federal Liabilities - Debt .....	1	1
2104 Resources payable to Treasury .....	4	
2999 Total liabilities .....	5	1
4999 Total liabilities and net position .....	5	1

**FHA-MUTUAL MORTGAGE INSURANCE GUARANTEED LOAN FINANCING**  
**ACCOUNT**

**Program and Financing (in millions of dollars)**

Identification code 86-4587-0-3-371	2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>			
0003 Other capital investment & operating expenses .....	3,310	2,835	3,111
Credit program obligations:			
0711 Default claim payments on principal .....	22,873	34,667	25,219
0712 Default claim payments on interest .....	2,541	596	434
0713 Payment of interest to Treasury .....	710	700	700
0740 Negative subsidy obligations .....	17,444	10,186	12,190
0742 Downward reestimate paid to receipt account .....	5,102	2,463	
0743 Interest on downward reestimates .....	139	786	
0791 Direct program activities, subtotal .....	48,809	49,398	38,543

0900 Total new obligations .....	52,119	52,233	41,654
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	33,167	46,336	28,797
1021 Recoveries of prior year unpaid obligations .....	381		
1050 Unobligated balance (total) .....	33,548	46,336	28,797
Financing authority:			
Borrowing authority, mandatory:			
1400 Borrowing authority .....	17,603	8,600	8,600
1440 Borrowing authority, mandatory (total) .....	17,603	8,600	8,600
Spending authority from offsetting collections, mandatory:			
1800 Offsetting collections .....	51,514	28,194	26,284
1825 Spending authority from offsetting collections applied to repay debt .....	-4,210	-2,100	-2,100
1850 Spending auth from offsetting collections, mand (total) .....	47,304	26,094	24,184
1900 Financing authority (total) .....	64,907	34,694	32,784
1930 Total budgetary resources available .....	98,455	81,030	61,581
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	46,336	28,797	19,927
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	1,931	2,017	2,548
3010 Obligations incurred, unexpired accounts .....	52,119	52,233	41,654
3020 Financing disbursements (gross) .....	-51,652	-51,702	-40,993
3040 Recoveries of prior year unpaid obligations, unexpired .....	-381		
3050 Unpaid obligations, end of year .....	2,017	2,548	3,209
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	1,931	2,017	2,548
3200 Obligated balance, end of year .....	2,017	2,548	3,209
<b>Financing authority and disbursements, net:</b>			
Mandatory:			
4090 Financing authority, gross .....	64,907	34,694	32,784
Financing disbursements:			
4110 Financing disbursements, gross .....	51,652	51,702	40,993
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4120 Transfer of Reestimates from reserves in Capital Reserve account .....	-27,673	-5,769	
4122 Interest on uninvested funds .....	-1,992	-2,000	-1,500
4123 Fees and premiums .....	-11,176	-14,109	-14,617
4123 Recoveries on defaults .....	-10,673	-6,316	-10,167
4130 Offsets against gross financing auth and disbursements (total) .....	-51,514	-28,194	-26,284
4160 Financing authority, net (mandatory) .....	13,393	6,500	6,500
4170 Financing disbursements, net (mandatory) .....	138	23,508	14,709
4180 Financing authority, net (total) .....	13,393	6,500	6,500
4190 Financing disbursements, net (total) .....	138	23,508	14,709
<b>Status of Guaranteed Loans (in millions of dollars)</b>			
Identification code 86-4587-0-3-371	2013 actual	2014 est.	2015 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders .....	400,000	400,000	400,000
2142 Uncommitted loan guarantee limitation .....	-144,836	-246,470	-249,358
2150 Total guaranteed loan commitments .....	255,164	153,530	150,642
2199 Guaranteed amount of guaranteed loan commitments .....	255,164	153,530	150,642
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year .....	1,114,221	1,139,529	1,107,265
2231 Disbursements of new guaranteed loans .....	255,164	153,528	147,933
2251 Repayments and prepayments .....	-204,569	-150,541	-132,960
Adjustments:			
2261 Terminations for default that result in loans receivable .....	-7,438	-6,294	-5,713
2262 Terminations for default that result in acquisition of property .....	-15,086	-25,594	-17,502
2263 Terminations for default that result in claim payments .....	-2,763	-3,363	-2,940
2290 Outstanding, end of year .....	1,139,529	1,107,265	1,096,083
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year .....	1,044,197	1,107,265	1,096,083
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year .....	1,744	3,487	5,951



2331	Disbursements for guaranteed loan claims .....	7,438	6,294	5,713
2351	Repayments of loans receivable .....	-2,275	-3,830	-2,850
2361	Write-offs of loans receivable .....	-3,420		
2390	Outstanding, end of year .....	3,487	5,951	8,814

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from loans insured in 1992 and thereafter. The amounts in this account are considered a means of financing and are not included in the budget totals.

**Balance Sheet** (in millions of dollars)

Identification code 86-4587-0-3-371	2012 actual	2013 actual
<b>ASSETS:</b>		
Federal assets:		
1101 Fund balances with Treasury .....	35,098	48,353
Investments in US securities:		
1106 Receivables, net .....	20,643	7,357
1206 Non-Federal assets: Receivables, net .....	621	
Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable:		
1501 Defaulted guaranteed loans receivable, gross .....	1,744	3,487
1502 Interest receivable .....	41	163
1504 Foreclosed property .....	4,888	4,500
1505 Allowance for subsidy cost .....	-4,482	-4,957
1599 Net value of assets related to defaulted guaranteed loan .....	2,191	3,193
1901 Other Federal assets: Other assets .....	260	379
1999 Total assets .....	58,813	59,282
<b>LIABILITIES:</b>		
Federal liabilities:		
2101 Accounts payable .....	6,316	8
2103 Federal liabilities, Debt .....	8,655	22,048
2105 Other .....		4,830
Non-Federal liabilities:		
2201 Accounts payable .....	485	47
2204 Liabilities for loan guarantees .....	42,635	32,207
2207 Other .....	722	142
2999 Total liabilities .....	58,813	59,282
4999 Total liabilities and net position .....	58,813	59,282

**FHA-MUTUAL MORTGAGE INSURANCE CAPITAL RESERVE ACCOUNT****Program and Financing** (in millions of dollars)

Identification code 86-0236-0-1-371	2013 actual	2014 est.	2015 est.
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	3,309	2	7,877
1010 Unobligated balance transfer to other accts [86-0183] .....	-3,293		
1010 Unobligated balance transfer to other accts [86-4070] .....	-16		
1050 Unobligated balance (total) .....		2	7,877
Budget authority:			
Spending authority from offsetting collections, mandatory:			
1800 Offsetting collections (negative subsidy) .....	17,444	10,186	12,190
1800 Offsetting collections (interest on investments) .....	10	208	382
1800 Offsetting collections (downward reestimate) .....	5,241	3,250	
1801 Change in uncollected payments, Federal sources .....	1		
1810 Spending authority from offsetting collections transferred to other accounts [86-0183] .....	-22,694	-5,769	
1810 Spending authority from offsetting collections transferred to other accounts [86-4070] .....			-8
1850 Spending auth from offsetting collections, mand (total) .....	2	7,875	12,564
1930 Total budgetary resources available .....	2	7,877	20,441
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	2	7,877	20,441
<b>Change in obligated balance:</b>			
Uncollected payments:			
3060 Uncollected pymts, Fed sources, brought forward, Oct 1 .....	-1	-2	-2
3070 Change in uncollected pymts, Fed sources, unexpired .....	-1		
3090 Uncollected pymts, Fed sources, end of year .....	-2	-2	-2
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	-1	-2	-2

3200	Obligated balance, end of year .....	-2	-2	-2
<b>Budget authority and outlays, net:</b>				
Discretionary:				
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4030 Federal sources .....	-17,444	-10,186	-12,190	
Mandatory:				
4090 Budget authority, gross .....	2	7,875	12,564	
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4120 Federal Sources: Downward Re-estimate .....	-5,241	-3,250		
4121 Interest on Federal securities .....	-10	-208	-382	
4130 Offsets against gross budget authority and outlays (total) ....	-5,251	-3,458	-382	
Additional offsets against gross budget authority only:				
4140 Change in uncollected pymts, Fed sources, unexpired .....	-1			
4160 Budget authority, net (mandatory) .....	-5,250	4,417	12,182	
4170 Outlays, net (mandatory) .....	-5,251	-3,458	-382	
4180 Budget authority, net (total) .....	-22,694	-5,769	-8	
4190 Outlays, net (total) .....	-22,695	-13,644	-12,572	

**Memorandum (non-add) entries:**

5000	Total investments, SOY: Federal securities: Par value .....	2,774		7,877
5001	Total investments, EOY: Federal securities: Par value .....		7,877	21,044

The Capital Reserve account is the ultimate depository for all net budgetary resources collected by the Mutual Mortgage Insurance (MMI) Fund programs. Negative credit subsidy receipts from new loan guarantees and downward re-estimates as well as interest earnings on Treasury investments are recorded in this account. This account has no authority to obligate funds but transfers balances of budget authority as necessary for the cost of upward credit subsidy re-estimates in the MMI Program Account.

**Balance Sheet** (in millions of dollars)

Identification code 86-0236-0-1-371	2012 actual	2013 actual
<b>ASSETS:</b>		
Federal assets:		
1101 Fund balances with Treasury .....	537	
Investments in US securities:		
1102 Treasury securities, net .....	2,772	
1106 Receivables, net .....	21,051	4,830
1999 Total assets .....	24,360	4,830
<b>LIABILITIES:</b>		
2101 Federal liabilities: Accounts payable .....	20,643	2,303
<b>NET POSITION:</b>		
3300 Cumulative results of operations .....	3,717	2,527
4999 Total liabilities and net position .....	24,360	4,830

**FHA-MUTUAL MORTGAGE AND COOPERATIVE HOUSING INSURANCE FUNDS  
LIQUIDATING ACCOUNT****Program and Financing** (in millions of dollars)

Identification code 86-4070-0-3-371	2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>			
0103 Acquisition of real properties .....	25	29	28
0107 Capitalized expenses .....	5	6	6
0108 Loss mitigation activities .....	1	1	1
0191 Total capital investment .....	31	36	35
0202 Other Operation expenses .....	4	4	4
0900 Total new obligations .....	35	40	39
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	3	16	2
1011 Unobligated balance transfer from other accts [86-0236] ....	16		
1021 Recoveries of prior year unpaid obligations .....	8	5	7
1050 Unobligated balance (total) .....	27	21	9

**FHA-MUTUAL MORTGAGE AND COOPERATIVE HOUSING INSURANCE FUNDS**  
**LIQUIDATING ACCOUNT—Continued**  
**Program and Financing—Continued**

Identification code 86-4070-0-3-371	2013 actual	2014 est.	2015 est.
Budget authority:			
Spending authority from offsetting collections, mandatory:			
1800      Collected .....	24	21	22
1811      Spending authority from offsetting collections transferred from other accounts [86-0236] .....			8
1850      Spending auth from offsetting collections, mand (total) .....	24	21	30
1930      Total budgetary resources available .....	51	42	39
Memorandum (non-add) entries:			
1941      Unexpired unobligated balance, end of year .....	16	2	
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000      Unpaid obligations, brought forward, Oct 1 .....	156	150	89
3010      Obligations incurred, unexpired accounts .....	35	40	39
3020      Outlays (gross) .....	-33	-96	-90
3040      Recoveries of prior year unpaid obligations, unexpired .....	-8	-5	-7
3050      Unpaid obligations, end of year .....	150	89	31
Memorandum (non-add) entries:			
3100      Obligated balance, start of year .....	156	150	89
3200      Obligated balance, end of year .....	150	89	31
<b>Budget authority and outlays, net:</b>			
Mandatory:			
4090      Budget authority, gross .....	24	21	30
Outlays, gross:			
4100      Outlays from new mandatory authority .....	24	21	30
4101      Outlays from mandatory balances .....	9	75	60
4110      Outlays, gross (total) .....	33	96	90
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4123      Non-Federal sources - Fees & Premiums .....	-24	-21	-22
4180      Budget authority, net (total) .....			8
4190      Outlays, net (total) .....	9	75	68

**Status of Guaranteed Loans (in millions of dollars)**

Identification code 86-4070-0-3-371	2013 actual	2014 est.	2015 est.
Cumulative balance of guaranteed loans outstanding:			
2210      Outstanding, start of year .....	3,680	2,300	1,657
2251      Repayments and prepayments .....	-1,355	-631	-524
2262      Adjustments: Terminations for default that result in acquisition of property .....	-25	-12	-12
2290      Outstanding, end of year .....	2,300	1,657	1,121
Memorandum:			
2299      Guaranteed amount of guaranteed loans outstanding, end of year .....	2,300	1,657	1,121
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310      Outstanding, start of year .....	17	17	12
2331      Disbursements for guaranteed loan claims .....		12	12
2351      Repayments of loans receivable .....		-9	-6
2361      Write-offs of loans receivable .....		-8	-6
2390      Outstanding, end of year .....	17	12	12

This account records all cash flows to and from the Government resulting from FHA Mutual Mortgage and Cooperative Housing Fund loans insured prior to 1992 and is shown on a cash basis. All new activity in these programs in 1992 and thereafter (including modifications of loans insured in any year) is recorded in the corresponding program and financing accounts.

**Financial condition.**—The following tables reflect the revenues, expenses and financial condition of the MMI/CMHI liquidating funds based on Generally Accepted Accounting Principles.

**Balance Sheet (in millions of dollars)**

Identification code 86-4070-0-3-371	2012 actual	2013 actual
<b>ASSETS:</b>		
1101      Federal assets: Fund balances with Treasury .....	159	165
1206      Non-Federal assets: Receivables, net .....	5	8
1701      Defaulted guaranteed loans, gross .....	17	17
1703      Allowance for estimated uncollectible loans and interest (-) .....	-10	-10
1704      Defaulted guaranteed loans and interest receivable, net .....	7	7
1706      Foreclosed property .....		8
1799      Value of assets related to loan guarantees .....	7	15
1901      Other Federal assets: Other assets .....	1	1
1999      Total assets .....	172	189
<b>LIABILITIES:</b>		
Non-Federal liabilities:		
2201      Accounts payable .....	136	147
2204      Liabilities for loan guarantees .....	11	6
2207      Unearned revenue and advances, and other .....	14	23
2999      Total liabilities .....	161	176
<b>NET POSITION:</b>		
3300      Cumulative results of operations .....	11	13
4999      Total liabilities and net position .....	172	189

**Object Classification (in millions of dollars)**

Identification code 86-4070-0-3-371	2013 actual	2014 est.	2015 est.
<b>Direct obligations:</b>			
25.2      Other services from non-Federal sources .....	9	10	10
32.0      Land and structures .....	25	29	28
42.0      Insurance claims and indemnities .....	1	1	1
99.9      Total new obligations .....	35	40	39

**GENERAL AND SPECIAL RISK PROGRAM ACCOUNT**

New commitments to guarantee loans insured under the General and Special Risk Insurance Funds, as authorized by sections 238 and 519 of the National Housing Act (12 U.S.C. 1715z-3 and 1735c), shall not exceed \$30,000,000,000 in total loan principal, any part of which is to be guaranteed, to remain available until September 30, **[2015] 2016: Provided,** That during fiscal year **[2014] 2015**, gross obligations for the principal amount of direct loans, as authorized by sections 204(g), 207(l), 238, and 519(a) of the National Housing Act, shall not exceed \$20,000,000, which shall be for loans to nonprofit and governmental entities in connection with the sale of single family real properties owned by the Secretary and formerly insured under such Act. (*Department of Housing and Urban Development Appropriations Act, 2014.*)

**Program and Financing (in millions of dollars)**

Identification code 86-0200-0-1-371	2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>			
Credit program obligations:			
0707      Reestimates of loan guarantee subsidy .....	4,096	166	
0708      Interest on reestimates of loan guarantee subsidy .....	1,586	44	
0900      Total new obligations (object class 41.0) .....	5,682	210	
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000      Unobligated balance brought forward, Oct 1 .....	16	16	16
Budget authority:			
Appropriations, mandatory:			
1200      Appropriation .....	5,682	210	
1260      Appropriations, mandatory (total) .....	5,682	210	
1900      Budget authority (total) .....	5,682	210	
1930      Total budgetary resources available .....	5,698	226	16
Memorandum (non-add) entries:			
1941      Unexpired unobligated balance, end of year .....	16	16	16
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000      Unpaid obligations, brought forward, Oct 1 .....	8	5	
3010      Obligations incurred, unexpired accounts .....	5,682	210	

3020	Outlays (gross) .....	-5,682	-215	.....
3041	Recoveries of prior year unpaid obligations, expired .....	-3	.....	.....
3050	Unpaid obligations, end of year .....	5	.....	.....
	Memorandum (non-add) entries:			
3100	Obligated balance, start of year .....	8	5	.....
3200	Obligated balance, end of year .....	5	.....	.....
<b>Budget authority and outlays, net:</b>				
	Discretionary:			
	Outlays, gross:			
4011	Outlays from discretionary balances .....	5	.....	.....
	Mandatory:			
4090	Budget authority, gross .....	5,682	210	.....
	Outlays, gross:			
4100	Outlays from new mandatory authority .....	5,682	210	.....
4180	Budget authority, net (total) .....	5,682	210	.....
4190	Outlays, net (total) .....	5,682	215	.....

**Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program** (in millions of dollars)

Identification code 86-0200-0-1-371	2013 actual	2014 est.	2015 est.
Direct loan levels supportable by subsidy budget authority:			
115001 GI/SRI Direct Loans .....		1	1
115999 Total direct loan levels .....		1	1
Direct loan subsidy (in percent):			
132001 GI/SRI Direct Loans .....		0.00	0.00
132999 Weighted average subsidy rate .....		0.00	0.00
Guaranteed loan levels supportable by subsidy budget authority:			
215001 Multifamily Development .....	1,833	2,044	2,044
215003 Tax Credit New Construction .....	1,460	2,034	2,096
215005 Apartments Refinance .....	13,312	10,337	8,155
215008 Housing Finance Authority Risk Sharing .....	205	280	230
215009 GSE Risk Sharing .....	140	138	184
215010 Health Care and Nursing Homes .....	381	521	521
215011 Health Care Refinances .....	5,897	6,390	6,390
215012 Hospitals .....	889	1,050	1,100
215013 Other Rental .....	93	121	122
215017 Title 1 Property Improvement .....	107	98	77
215018 Title 1 Manufactured Housing .....	39	26	26
215999 Total loan guarantee levels .....	24,356	23,039	20,945
Guaranteed loan subsidy (in percent):			
232001 Multifamily Development .....	-2.51	-3.58	-3.65
232003 Tax Credit New Construction .....	-3.15	-3.26	-3.19
232005 Apartments Refinance .....	-4.65	-4.18	-4.69
232008 Housing Finance Authority Risk Sharing .....	-3.41	-2.85	-2.67
232009 GSE Risk Sharing .....	-2.15	-1.16	-0.89
232010 Health Care and Nursing Homes .....	-3.15	-1.16	-4.23
232011 Health Care Refinances .....	-4.29	-4.04	-4.33
232012 Hospitals .....	-6.41	-4.09	-4.45
232013 Other Rental .....	-1.08	-0.41	-3.39
232017 Title 1 Property Improvement .....	0.00	-0.10	-0.76
232018 Title 1 Manufactured Housing .....	-2.58	-1.66	-2.13
232999 Weighted average subsidy rate .....	-4.29	-3.86	-4.22
Guaranteed loan subsidy budget authority:			
233001 Multifamily Development .....	-46	-73	-75
233003 Tax Credit New Construction .....	-46	-66	-67
233005 Apartments Refinance .....	-619	-432	-382
233008 Housing Finance Authority Risk Sharing .....	-7	-8	-6
233009 GSE Risk Sharing .....	-3	-2	-2
233010 Health Care and Nursing Homes .....	-12	-6	-22
233011 Health Care Refinances .....	-253	-258	-277
233012 Hospitals .....	-57	-43	-49
233013 Other Rental .....	-1	.....	-4
233017 Title 1 Property Improvement .....	.....	.....	-1
233018 Title 1 Manufactured Housing .....	-1	.....	-1
233999 Total subsidy budget authority .....	-1,045	-888	-886
Guaranteed loan subsidy outlays:			
234001 Multifamily Development .....	-37	-73	-80
234003 Tax Credit New Construction .....	-34	-65	-62
234005 Apartments Refinance .....	-572	-451	-402
234008 Housing Finance Authority Risk Sharing .....	-4	-10	-6
234009 GSE Risk Sharing .....	-3	-1	-2
234010 Health Care and Nursing Homes .....	-5	-13	-17
234011 Health Care Refinances .....	-210	-263	-255
234012 Hospitals .....	-46	-50	-47
234013 Other Rental .....	-2	-1	-3
234017 Title 1 Property Improvement .....	.....	.....	-1
234018 Title 1 Manufactured Housing .....	-1	.....	-1
234999 Total subsidy outlays .....	-914	-927	-876

Guaranteed loan upward reestimates:			
235023 GI/SRI Reestimates .....	5,682	210	.....
235999 Total upward reestimate budget authority .....	5,682	210	.....
Guaranteed loan downward reestimates:			
237023 GI/SRI Reestimates .....	-529	-2,060	.....
237999 Total downward reestimate subsidy budget authority .....	-529	-2,060	.....

This account includes credit subsidy budget authority and outlays for FHA's General Insurance and Special Risk Insurance (GI/SRI) Fund programs, including reestimates and modifications. These programs provide mortgage insurance for a variety of purposes, including financing for the development or rehabilitation of multifamily housing, nursing homes, and hospitals. The Budget requests a limitation of \$30 billion on loan guarantees for the GI/SRI Fund. It does not request an appropriation of new credit subsidy funds.

As required by the Federal Credit Reform Act of 1990, this account records the subsidy costs associated with loan guarantees committed or direct loans obligated in 1992 and thereafter. The subsidy amounts are estimated on a present value basis. This account no longer includes appropriations for administrative contract costs, which were moved to the MMI Fund in 2010.

**FHA-GENERAL AND SPECIAL RISK GUARANTEED LOAN FINANCING ACCOUNT****Program and Financing** (in millions of dollars)

Identification code 86-4077-0-3-371	2013 actual	2014 est.	2015 est.
Capital investment, claims and other			
0003 Other capital investments and operating expenses .....	150	16	14
0014 Contract Costs .....	41	11	17
0091 Direct program activities, subtotal .....	191	27	31
Credit program obligations:			
0711 Default claim payments on principal .....	2,259	3,530	2,938
0712 Default claim payments on interest .....	251	334	363
0713 Payment of interest to Treasury .....	211	225	225
0740 Negative subsidy obligations .....	1,046	888	886
0742 Downward reestimate paid to receipt account .....	470	1,479	.....
0743 Interest on downward reestimates .....	59	581	.....
0791 Direct program activities, subtotal .....	4,296	7,037	4,412
0900 Total new obligations .....	4,487	7,064	4,443
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	7,082	11,495	6,593
1021 Recoveries of prior year unpaid obligations .....	23	.....	.....
1023 Unobligated balances applied to repay debt .....	.....	-200	-200
1050 Unobligated balance (total) .....	7,105	11,295	6,393
Financing authority:			
Borrowing authority, mandatory:			
1400 Borrowing authority .....	1,488	800	800
1440 Borrowing authority, mandatory (total) .....	1,488	800	800
Spending authority from offsetting collections, mandatory:			
1800 Collected .....	7,858	1,762	2,086
1825 Spending authority from offsetting collections applied to repay debt .....	-469	-200	-200
1850 Spending auth from offsetting collections, mand (total) .....	7,389	1,562	1,886
1900 Financing authority (total) .....	8,877	2,362	2,686
1930 Total budgetary resources available .....	15,982	13,657	9,079
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	11,495	6,593	4,636
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	541	520	373
3010 Obligations incurred, unexpired accounts .....	4,487	7,064	4,443
3020 Financing disbursements (gross) .....	-4,485	-7,211	-4,489
3040 Recoveries of prior year unpaid obligations, unexpired .....	-23	.....	.....
3050 Unpaid obligations, end of year .....	520	373	327
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	541	520	373

**FHA-GENERAL AND SPECIAL RISK GUARANTEED LOAN FINANCING  
ACCOUNT—Continued  
Program and Financing—Continued**

Identification code 86-4077-0-3-371		2013 actual	2014 est.	2015 est.
3200	Obligated balance, end of year .....	520	373	327
<b>Financing authority and disbursements, net:</b>				
Mandatory:				
4090	Financing authority, gross .....	8,877	2,362	2,686
Financing disbursements:				
4110	Financing disbursements, gross .....	4,485	7,211	4,489
Offsets against gross financing authority and disbursements:				
Offsetting collections (collected) from:				
4120	Subsidy reestimate from program account .....	-5,681	-210	.....
4122	Interest on uninvested funds .....	-603	-405	-405
4123	Fees and premiums .....	-837	-911	-955
4123	Recoveries on HUD-Held Notes .....	-280	-26	-186
4123	Title I recoveries .....	-8	-1	-1
4123	Single family property recoveries .....	-309	-107	-283
4123	Gross Proceeds from Mortgage Note Sales .....	-122	-102	-256
4123	Non-Federal Resources-other .....	-12	.....	.....
4123	Multifamily Property .....	-6	.....	.....
4130	Offsets against gross financing auth and disbursements (total) .....	-7,858	-1,762	-2,086
4160	Financing authority, net (mandatory) .....	1,019	600	600
4170	Financing disbursements, net (mandatory) .....	-3,373	5,449	2,403
4180	Financing authority, net (total) .....	1,019	600	600
4190	Financing disbursements, net (total) .....	-3,373	5,449	2,403

**Status of Guaranteed Loans (in millions of dollars)**

Identification code 86-4077-0-3-371		2013 actual	2014 est.	2015 est.
Position with respect to appropriations act limitation on commitments:				
2111	Limitation on guaranteed loans made by private lenders .....	25,000	30,000	30,000
2142	Uncommitted loan guarantee limitation .....	-644	-6,961	-9,055
2150	Total guaranteed loan commitments .....	24,356	23,039	20,945
2199	Guaranteed amount of guaranteed loan commitments .....	23,444	22,174	20,157
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year .....	141,710	146,735	159,463
2231	Disbursements of new guaranteed loans .....	27,050	24,732	22,616
2251	Repayments and prepayments .....	-19,681	-6,893	-8,014
Adjustments:				
2261	Terminations for default that result in loans receivable .....	-1,227	-3,366	-2,190
2262	Terminations for default that result in acquisition of property .....	-937	-393	-214
2263	Terminations for default that result in claim payments .....	-180	-1,352	-4,296
2290	Outstanding, end of year .....	146,735	159,463	167,365
Memorandum:				
2299	Guaranteed amount of guaranteed loans outstanding, end of year .....	143,251	155,677	163,392
Addendum:				
Cumulative balance of defaulted guaranteed loans that result in loans receivable:				
2310	Outstanding, start of year .....	2,458	2,724	5,254
2331	Disbursements for guaranteed loan claims .....	1,227	3,273	2,135
2351	Repayments of loans receivable .....	-213	-815	-1,007
2361	Write-offs of loans receivable .....	-748	-28	-89
2364	Other adjustments, net .....	.....	100	191
2390	Outstanding, end of year .....	2,724	5,254	6,484

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from loan guarantees committed in 1992 and thereafter (including modifications of loan guarantees that resulted from commitments in any year) for FHA's General and Special Risk Insurance Fund programs. The amounts in this account are a means of financing and are not included in the budget totals. As required by the Federal Credit Reform Act of 1990, no administrative expenses can be recorded in the financing account.

**Balance Sheet (in millions of dollars)**

Identification code 86-4077-0-3-371		2012 actual	2013 actual
<b>ASSETS:</b>			
Federal assets:			
1101	Fund balances with Treasury .....	7,624	12,015
Investments in US securities:			
1106	Receivables, net .....	6,452	1,162
Non-Federal assets:			
1201	Investments in non-Federal securities, net .....	57	56
1206	Receivables, net .....	47	7
Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable:			
1501	Defaulted guaranteed loans receivable, gross .....	2,458	2,724
1502	Interest receivable .....	846	992
1504	Foreclosed property .....	254	180
1505	Allowance for subsidy cost .....	-1,531	-1,374
1599	Net value of assets related to defaulted guaranteed loan .....	2,027	2,522
1901	Other Federal assets: Other assets .....	8	1
1999	Total assets .....	16,215	15,763
<b>LIABILITIES:</b>			
Federal liabilities:			
2101	Accounts payable Intragovernmental .....	609	.....
2103	Debt .....	2,873	3,891
2105	Other .....	.....	2,361
Non-Federal liabilities:			
2201	Accounts payable .....	330	184
2204	Liabilities for loan guarantees .....	12,311	9,229
2207	Other .....	92	98
2999	Total liabilities .....	16,215	15,763
4999	Total liabilities and net position .....	16,215	15,763

**FHA-GENERAL AND SPECIAL RISK DIRECT LOAN FINANCING ACCOUNT**

**Program and Financing (in millions of dollars)**

Identification code 86-4105-0-3-371		2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>				
Credit program obligations:				
0710	Direct loan obligations .....	.....	1	1
0900	Total new obligations .....	.....	1	1
<b>Budgetary Resources:</b>				
Financing authority:				
Borrowing authority, mandatory:				
1400	Borrowing authority .....	.....	1	1
1440	Borrowing authority, mandatory (total) .....	.....	1	1
Spending authority from offsetting collections, mandatory:				
1800	Collected .....	.....	1	1
1825	Spending authority from offsetting collections applied to repay debt .....	.....	-1	-1
1900	Financing authority (total) .....	.....	1	1
1930	Total budgetary resources available .....	.....	1	1

**Change in obligated balance:**

Unpaid obligations:				
3010	Obligations incurred, unexpired accounts .....	.....	1	1
3020	Financing disbursements (gross) .....	.....	-1	-1

**Financing authority and disbursements, net:**

Mandatory:				
4090	Financing authority, gross .....	.....	1	1
Financing disbursements:				
4110	Financing disbursements, gross .....	.....	1	1
Offsets against gross financing authority and disbursements:				
Offsetting collections (collected) from:				
4123	Repayment of Principal .....	.....	-1	-1

**Status of Direct Loans (in millions of dollars)**

Identification code 86-4105-0-3-371		2013 actual	2014 est.	2015 est.
Position with respect to appropriations act limitation on obligations:				
1111	Limitation on direct loans .....	20	20	20
1142	Unobligated direct loan limitation (-) .....	-20	-19	-19

1150	Total direct loan obligations .....	1	1
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As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from direct loans obligated in 1992 and thereafter (including loan modifications) for FHA's General Insurance and Special Risk Insurance Fund programs. The amounts in this account are a means of financing and are not included in the budget totals. As required by the Federal Credit Reform Act of 1990, no administrative expenses can be recorded in the financing account.

### FHA-LOAN GUARANTEE RECOVERY FUND FINANCING ACCOUNT

#### Program and Financing (in millions of dollars)

Identification code 86-4106-0-3-371	2013 actual	2014 est.	2015 est.
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	4	4	4
1930 Total budgetary resources available .....	4	4	4
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	4	4	4

#### Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4106-0-3-371	2013 actual	2014 est.	2015 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year .....	6	6	5
2251 Repayments and prepayments .....	-1	-1	-1
2290 Outstanding, end of year .....	6	5	4
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year .....	6	4	4

Section 4 of the Church Arson Prevention Act of 1996 (P.L. 104-155), entitled "Loan Guarantee Recovery Fund," authorizes the Secretary of Housing and Urban Development to guarantee loans made by financial institutions to assist certain non-profit organizations that were damaged as a result of acts of arson or terrorism. As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from loan guarantees committed in 1992 and thereafter. The amounts in this account are a means of financing and are not included in the budget totals. As required by the Federal Credit Reform Act of 1990, no administrative expenses can be recorded in the financing account.

#### Balance Sheet (in millions of dollars)

Identification code 86-4106-0-3-371	2012 actual	2013 actual
<b>ASSETS:</b>		
1101 Federal assets: Fund balances with Treasury .....	4	4
1999 Total assets .....	4	4
<b>LIABILITIES:</b>		
2204 Non-Federal liabilities: Liabilities for loan guarantees .....	4	4
4999 Total liabilities and net position .....	4	4

### FHA-GENERAL AND SPECIAL RISK INSURANCE FUNDS LIQUIDATING ACCOUNT

#### Program and Financing (in millions of dollars)

Identification code 86-4072-0-3-371	2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>			
Capital investment: Claims and other			
0102 Assignment and Property Acquisition Claims .....	5	12	5
0104 Mark-To-Market Restructures .....	11		
0110 Capitalized Expenses .....	6	5	5

0111 HUD Held Notes Escrow Activity .....	38	38	35
0113 Other .....	1		
0900 Total new obligations .....	61	55	45

#### Budgetary Resources:

Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	180	234	
1021 Recoveries of prior year unpaid obligations .....	64		
1022 Capital transfer of unobligated balances to general fund .....	-180	-234	
1050 Unobligated balance (total) .....	64		
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation .....	30	30	25
1260 Appropriations, mandatory (total) .....	30	30	25
Spending authority from offsetting collections, mandatory:			
1800 Collected .....	201	117	66
1820 Capital transfer of spending authority from offsetting collections to general fund .....		-92	-46
1850 Spending auth from offsetting collections, mand (total) .....	201	25	20
1900 Budget authority (total) .....	231	55	45
1930 Total budgetary resources available .....	295	55	45
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	234		

#### Change in obligated balance:

Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	368	294	255
3010 Obligations incurred, unexpired accounts .....	61	55	45
3020 Outlays (gross) .....	-71	-94	-86
3040 Recoveries of prior year unpaid obligations, unexpired .....	-64		
3050 Unpaid obligations, end of year .....	294	255	214
Uncollected payments:			
3060 Uncollected pymts, Fed sources, brought forward, Oct 1 .....	-1	-1	-1
3090 Uncollected pymts, Fed sources, end of year .....	-1	-1	-1
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	367	293	254
3200 Obligated balance, end of year .....	293	254	213

#### Budget authority and outlays, net:

Mandatory:			
4090 Budget authority, gross .....	231	55	45
Outlays, gross:			
4100 Outlays from new mandatory authority .....	51	53	43
4101 Outlays from mandatory balances .....	20	41	43
4110 Outlays, gross (total) .....	71	94	86
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4123 Non-Federal sources - Other .....	-201	-117	-66
4180 Budget authority, net (total) .....	30	-62	-21
4190 Outlays, net (total) .....	-130	-23	20

#### Memorandum (non-add) entries:

5000 Total investments, SOY: Federal securities: Par value .....	3	3	3
5001 Total investments, EOY: Federal securities: Par value .....	3	3	3

#### Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4072-0-3-371	2013 actual	2014 est.	2015 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year .....	1,755	1,226	747
2251 Repayments and prepayments .....	-517	-467	-232
Adjustments:			
2261 Terminations for default that result in loans receivable .....	-11	-12	-5
2262 Terminations for default that result in acquisition of property .....	-1		
2290 Outstanding, end of year .....	1,226	747	510

#### Memorandum:

2299 Guaranteed amount of guaranteed loans outstanding, end of year .....	1,225	746	509
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#### Addendum:

Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year .....	2,359	2,244	2,197
2331 Disbursements for guaranteed loan claims .....	11	12	10
2351 Repayments of loans receivable .....	-126	-59	-57
2390 Outstanding, end of year .....	2,244	2,197	2,150

FHA-GENERAL AND SPECIAL RISK INSURANCE FUNDS LIQUIDATING  
ACCOUNT—Continued

The General and Special Risk Insurance funds provide insurance for a large number of specialized mortgage insurance programs, including insurance of loans for property improvements, cooperatives, condominiums, nursing homes, rental housing and nonprofit hospitals.

As required by the Federal Credit Reform Act of 1990, this account records, for this program, all cash flows to and from the Government resulting from loan guarantees committed and direct loans obligated prior to 1992. This account is shown on a cash basis. New insurance and direct loan activity in 1992 and thereafter in the GI/SRI programs are recorded in corresponding program (86–0200) and financing (86–4077 and 86–4105) accounts.

## Balance Sheet (in millions of dollars)

Identification code 86–4072–0–3–371	2012 actual	2013 actual
<b>ASSETS:</b>		
<b>Federal assets:</b>		
1101 Fund balances with Treasury .....	544	524
Investments in US securities:		
1102 Treasury securities, par .....	3	3
<b>Non-Federal assets:</b>		
1201 Investments in non-Federal securities, net .....	3	
1206 Receivables, net .....	3	4
1701 Defaulted guaranteed loans, gross .....	2,359	2,244
1702 Interest receivable .....	231	241
1703 Allowance for estimated uncollectible loans and interest (-) .....	-1,371	-944
1799 Value of assets related to loan guarantees .....	1,219	1,541
1901 Other Federal assets: Other assets .....	251	3
1999 Total assets .....	2,023	2,075
<b>LIABILITIES:</b>		
<b>Non-Federal liabilities:</b>		
2201 Accounts payable .....	7	10
2204 Liabilities for loan guarantees .....	7	2
2207 Other .....	165	165
2999 Total liabilities .....	179	177
<b>NET POSITION:</b>		
3100 Unexpended appropriations .....	89	107
3300 Cumulative results of operations .....	1,755	1,791
3999 Total net position .....	1,844	1,898
4999 Total liabilities and net position .....	2,023	2,075

## Object Classification (in millions of dollars)

Identification code 86–4072–0–3–371	2013 actual	2014 est.	2015 est.
<b>Direct obligations:</b>			
32.0 Land and structures .....	1		
33.0 Investments and loans .....	60	55	45
99.9 Total new obligations .....	61	55	45

## HOUSING FOR THE ELDERLY OR HANDICAPPED FUND LIQUIDATING ACCOUNT

## Program and Financing (in millions of dollars)

Identification code 86–4115–0–3–371	2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>			
0102 Loan Management, Liquidations and Property Dispositions .....	3	6	6
0900 Total new obligations (object class 32.0) .....	3	6	6
<b>Budgetary Resources:</b>			
<b>Unobligated balance:</b>			
1000 Unobligated balance brought forward, Oct 1 .....	35	77	
1022 Capital transfer of unobligated balances to general fund .....	-35	-77	
<b>Budget authority:</b>			
Spending authority from offsetting collections, mandatory:			
1800 Collected .....	589	550	550
1820 Capital transfer of spending authority from offsetting collections to general fund .....	-509	-544	-544

1850	Spending auth from offsetting collections, mand (total) .....	80	6	6
1930	Total budgetary resources available .....	80	6	6
	Memorandum (non-add) entries:			
1941	Unexpired unobligated balance, end of year .....	77		

## Change in obligated balance:

<b>Unpaid obligations:</b>			
3000 Unpaid obligations, brought forward, Oct 1 .....	5	6	4
3010 Obligations incurred, unexpired accounts .....	3	6	6
3020 Outlays (gross) .....	-2	-8	-8
3050 Unpaid obligations, end of year .....	6	4	2
<b>Memorandum (non-add) entries:</b>			
3100 Obligated balance, start of year .....	5	6	4
3200 Obligated balance, end of year .....	6	4	2

## Budget authority and outlays, net:

<b>Mandatory:</b>			
4090 Budget authority, gross .....	80	6	6
<b>Outlays, gross:</b>			
4100 Outlays from new mandatory authority .....		6	6
4101 Outlays from mandatory balances .....	2	2	2
4110 Outlays, gross (total) .....	2	8	8
<b>Offsets against gross budget authority and outlays:</b>			
<b>Offsetting collections (collected) from:</b>			
4123 Non-Federal sources .....	-589	-550	-550
4180 Budget authority, net (total) .....	-509	-544	-544
4190 Outlays, net (total) .....	-587	-542	-542

## Status of Direct Loans (in millions of dollars)

Identification code 86–4115–0–3–371	2013 actual	2014 est.	2015 est.
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year .....	2,493	2,096	1,689
1251 Repayments: Repayments and prepayments .....	-395	-407	-419
1264 Write-offs for default: Other adjustments, net (+ or -) .....	-2		
1290 Outstanding, end of year .....	2,096	1,689	1,270

As required by the Federal Credit Reform Act of 1990, this account records all cash flows to and from the Government resulting from this program for pre-1992 direct loans.

## Balance Sheet (in millions of dollars)

Identification code 86–4115–0–3–371	2012 actual	2013 actual
<b>ASSETS:</b>		
1101 Federal assets: Fund balances with Treasury .....	40	83
1206 Non-Federal assets: Interest Receivable: Public .....	25	22
1601 Direct loans, gross .....	2,493	2,096
1603 Allowance for estimated uncollectible loans and interest (-) .....	-19	-10
1699 Value of assets related to direct loans .....	2,474	2,086
1999 Total assets .....	2,539	2,191
<b>LIABILITIES:</b>		
2207 Non-Federal liabilities: Other .....	3	2
<b>NET POSITION:</b>		
3100 Unexpended Appropriations .....	8	6
3300 Revolving Fund: Cumulative results of operations .....	2,528	2,183
3999 Total net position .....	2,536	2,189
4999 Total liabilities and net position .....	2,539	2,191

## PAYMENT TO MANUFACTURED HOUSING FEES TRUST FUND

For necessary expenses as authorized by the National Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C. 5401 et seq.), up to **[\$7,530,000] \$10,000,000**, to remain available until expended, of which **[\$6,530,000] \$10,000,000** is to be derived from the Manufactured Housing Fees Trust Fund: *Provided*, That not to exceed the total amount appropriated under this heading shall be available from the general fund of the Treasury to the extent necessary to incur obligations and make expenditures pending the receipt of collections to the Fund pursuant to section 620 of such Act: *Provided further*, That the amount made available under this heading from the general fund shall be reduced as such collections are received during fiscal year **[2014] 2015** so as to result in a final fiscal year **[2014] 2015** appropriation from

the general fund estimated at [not more than \$1,000,000] zero, and fees pursuant to such section 620 shall be modified as necessary to ensure such a final fiscal year [2014] 2015 appropriation: *Provided further*, That for the dispute resolution and installation programs, the Secretary of Housing and Urban Development may assess and collect fees from any program participant: *Provided further*, That such collections shall be deposited into the Fund, and the Secretary, as provided herein, may use such collections, as well as fees collected under section 620, for necessary expenses of such Act: *Provided further*, That, notwithstanding the requirements of section 620 of such Act, the Secretary may carry out responsibilities of the Secretary under such Act through the use of approved service providers that are paid directly by the recipients of their services. (*Department of Housing and Urban Development Appropriations Act, 2014.*)

**Program and Financing** (in millions of dollars)

Identification code 86-0234-0-1-376	2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>			
0001 Payment to Trust Fund .....	2	1	.....
0900 Total new obligations (object class 94.0) .....	2	1	.....
<b>Budgetary Resources:</b>			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	2	1	.....
1160 Appropriation, discretionary (total) .....	2	1	.....
1930 Total budgetary resources available .....	2	1	.....
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3010 Obligations incurred, unexpired accounts .....	2	1	.....
3020 Outlays (gross) .....	-2	-1	.....
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	2	1	.....
Outlays, gross:			
4010 Outlays from new discretionary authority .....	2	1	.....
4180 Budget authority, net (total) .....	2	1	.....
4190 Outlays, net (total) .....	2	1	.....

The Budget provides a total of \$10 million in estimated fees to support activities authorized by the National Manufactured Housing Construction and Safety Standards Act of 1974, as amended, including the development and enforcement of manufactured housing construction standards, as well as the development and implementation of installation and dispute resolution programs required by the Manufactured Housing Improvement Act of 2000.

**Trust Funds****MANUFACTURED HOUSING FEES TRUST FUND****Special and Trust Fund Receipts** (in millions of dollars)

Identification code 86-8119-0-7-376	2013 actual	2014 est.	2015 est.
0100 Balance, start of year .....	1	.....	.....
Adjustments:			
0190 Rounding adjustment .....	-1	.....	.....
0199 Balance, start of year .....	.....	.....	.....
Receipts:			
0240 General Fund Payment, Manufactured Housing Fee Trust Fund .....	2	1	.....
0260 Mobile Home Inspection and Monitoring Fees, Manufactured Housing Fee Trust Fund .....	4	7	10
0299 Total receipts and collections .....	6	8	10
0400 Total: Balances and collections .....	6	8	10
Appropriations:			
0500 Manufactured Housing Fees Trust Fund .....	-6	-8	-10
0799 Balance, end of year .....	.....	.....	.....

**Program and Financing** (in millions of dollars)

Identification code 86-8119-0-7-376	2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>			
0002 Manufactured Housing Program Costs .....	10	10	10
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	11	7	5
Budget authority:			
Appropriations, discretionary:			
1101 Appropriation (special or trust fund) .....	6	8	10
1160 Appropriation, discretionary (total) .....	6	8	10
1930 Total budgetary resources available .....	17	15	15
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	7	5	5
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	5	8	8
3010 Obligations incurred, unexpired accounts .....	10	10	10
3020 Outlays (gross) .....	-7	-10	-10
3050 Unpaid obligations, end of year .....	8	8	8
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	5	8	8
3200 Obligated balance, end of year .....	8	8	8
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	6	8	10
Outlays, gross:			
4010 Outlays from new discretionary authority .....	.....	1	2
4011 Outlays from discretionary balances .....	7	9	8
4020 Outlays, gross (total) .....	7	10	10
4180 Budget authority, net (total) .....	6	8	10
4190 Outlays, net (total) .....	7	10	10

The National Manufactured Housing Construction and Safety Standards Act of 1974, as amended, authorizes the development and enforcement of appropriate standards for the construction, design, and performance of manufactured homes to assure their quality, durability, affordability, and safety. All manufactured homes produced since the standards took effect in 1976 must comply with Federal construction and safety standards. A majority of States participate in the program under compliance plans approved by HUD. Program requirements mandated by the Manufactured Housing Improvement Act of 2000 include procurement of an Administering Organization, formation of a Consensus Committee to recommend revisions to and interpretations of the manufactured housing standards, development and implementation of standards for installation of manufactured housing, and development and implementation of a dispute resolution program.

Fees are charged to the manufacturers for each transportable section produced to offset the expenses incurred by the Department in carrying out the responsibilities under the authorizing legislation. The 2015 Budget proposes to fund the costs of authorized activities with an estimated \$10 million in fees. In order to achieve this level of collections, HUD is assuming continued implementation of the fee increase of up to \$100 per label. This fee increase is necessary to ensure that HUD can continue to fulfill its statutory responsibilities. The 2015 Budget also proposes a general provision that would allow HUD to implement future fee changes via notice.

**Object Classification** (in millions of dollars)

Identification code 86-8119-0-7-376	2013 actual	2014 est.	2015 est.
Direct obligations:			
25.2 Other services from non-Federal sources .....	7	7	7
41.0 Grants, subsidies, and contributions .....	3	3	3

**MANUFACTURED HOUSING FEES TRUST FUND—Continued**  
**Object Classification—Continued**

Identification code 86-8119-0-7-376	2013 actual	2014 est.	2015 est.
99.9 Total new obligations .....	10	10	10

**GREEN RETROFIT PROGRAM FOR MULTIFAMILY HOUSING FINANCING ACCOUNT****Program and Financing** (in millions of dollars)

Identification code 86-4589-0-604	2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>			
Credit program obligations:			
0713 Payment of interest to Treasury .....	1	.....	.....
0742 Downward reestimate paid to receipt account .....	.....	3	.....
0743 Interest on downward reestimates .....	.....	2	.....
0900 Total new obligations .....	1	5	.....
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	4	9	4
Financing authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected .....	6	.....	.....
1850 Spending auth from offsetting collections, mand (total) .....	6	.....	.....
1900 Financing authority (total) .....	6	.....	.....
1930 Total budgetary resources available .....	10	9	4
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	9	4	4
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	.....	.....	5
3010 Obligations incurred, unexpired accounts .....	1	5	.....
3020 Financing disbursements (gross) .....	-1	.....	.....
3050 Unpaid obligations, end of year .....	.....	5	5
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	.....	.....	5
3200 Obligated balance, end of year .....	.....	5	5
<b>Financing authority and disbursements, net:</b>			
Mandatory:			
4090 Financing authority, gross .....	6	.....	.....
Financing disbursements:			
4110 Financing disbursements, gross .....	1	.....	.....
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4123 Non-Federal sources .....	-6	.....	.....
4190 Financing disbursements, net (total) .....	-5	.....	.....

**Status of Direct Loans** (in millions of dollars)

Identification code 86-4589-0-604	2013 actual	2014 est.	2015 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year .....	80	80	74
1264 Write-offs for default: Other adjustments, net (+ or -) .....	.....	-6	.....
1290 Outstanding, end of year .....	80	74	74

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from direct loans in the Green Retrofit Program, which received one-time funding in the Recovery Act (P.L. 111-5). The program account is displayed under "Green Retrofit Program for Multifamily Housing, Recovery Act" (86-0306).

**Balance Sheet** (in millions of dollars)

Identification code 86-4589-0-604	2012 actual	2013 actual
<b>ASSETS:</b>		
1101 Federal assets: Fund balances with Treasury .....	4	4
Net value of assets related to post-1991 direct loans receivable:		
1401 Direct loans receivable, gross .....	80	80

1402 Interest receivable .....	1	1
1405 Allowance for subsidy cost (-) .....	-70	-70
1499 Net present value of assets related to direct loans .....	11	11
1999 Total assets .....	15	15
<b>LIABILITIES:</b>		
2103 Federal liabilities: Debt .....	15	15
4999 Total liabilities and net position .....	15	15

**GOVERNMENT NATIONAL MORTGAGE ASSOCIATION**

The Government National Mortgage Association (GNMA) was formed by Congress in 1968. It is a wholly owned government corporation within the U.S. Department of Housing and Urban Development (HUD). It was established to support Federal housing initiatives by providing liquidity to the secondary mortgage market and to attract capital from the global capital markets for the nation's mortgage markets. Its primary function is to guarantee the timely payment of principal and interest on Mortgage-Backed Securities (MBS) that are backed by loans insured or guaranteed by the Federal Housing Administration (FHA), the Department of Veterans Affairs (VA), Rural Development in the U.S. Department of Agriculture, and HUD's Office of Public and Indian Housing.

**Federal Funds****GUARANTEES OF MORTGAGE-BACKED SECURITIES CAPITAL RESERVE ACCOUNT****Program and Financing** (in millions of dollars)

Identification code 86-0238-0-1-371	2013 actual	2014 est.	2015 est.
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	.....	7,049	9,017
1010 Unobligated balance transfer to other accts [86-0186] .....	.....	-246	-100
1011 Unobligated balance transfer from other accts [86-4238] .....	.....	1,342	.....
1011 Unobligated balance transfer from other accts [86-4240] .....	.....	200	200
1050 Unobligated balance (total) .....	.....	8,345	9,117
Budget authority:			
Appropriations, mandatory:			
1220 Appropriations transferred to other accts [86-0186] .....	-102	.....	.....
1221 Appropriations transferred from other accts [86-0186] .....	6,083	.....	.....
1260 Appropriations, mandatory (total) .....	5,981	.....	.....
Spending authority from offsetting collections, mandatory:			
1800 Offsetting collections (negative subsidy) .....	1,068	542	832
1800 Offsetting collections (interest on investments) .....	.....	130	44
1850 Spending auth from offsetting collections, mand (total) .....	1,068	672	876
1900 Budget authority (total) .....	7,049	672	876
1930 Total budgetary resources available .....	7,049	9,017	9,993
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	7,049	9,017	9,993
<b>Budget authority and outlays, net:</b>			
Discretionary:			
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources .....	-1,068	-542	-832
Mandatory:			
4090 Budget authority, gross .....	7,049	672	876
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4120 Federal sources .....	.....	-542	-832
4121 Interest on Federal securities .....	.....	-130	-44
4130 Offsets against gross budget authority and outlays (total) .....	.....	-672	-876
4160 Budget authority, net (mandatory) .....	7,049	.....	.....
4170 Outlays, net (mandatory) .....	.....	-672	-876
4180 Budget authority, net (total) .....	5,981	-542	-832
4190 Outlays, net (total) .....	-1,068	-1,214	-1,708



Memorandum (non-add) entries:				
5000	Total investments, SOY: Federal securities: Par value .....	8,200		
5001	Total investments, EOY: Federal securities: Par value .....	8,200	8,900	

In 2013, a Capital Reserve account was established for the Government National Mortgage Association (GNMA). Financial reserves of GNMA were transferred from the reserve receipt and liquidating accounts to the Capital Reserve account. This mandatory account earns interest on Treasury investments and is the eventual depository for all budgetary resources collected by GNMA including negative subsidy receipts from new security guarantees and downward re-estimates. This account has no authority to obligate funds but transfers resources to the GNMA Program Account as necessary for mandatory spending authorized in that account.

#### GUARANTEES OF MORTGAGE-BACKED SECURITIES LOAN GUARANTEE PROGRAM ACCOUNT

New commitments to issue guarantees to carry out the purposes of section 306 of the National Housing Act, as amended (12 U.S.C. 1721(g)), shall not exceed \$500,000,000,000, to remain available until September 30, [2015] 2016: *Provided*, That [\$19,500,000] \$28,000,000 shall be available for necessary salaries and expenses of the Office of Government National Mortgage Association: *Provided further*, That to the extent that guaranteed loan commitments will and do exceed \$155,000,000,000 on or before April 1, [2014] 2015, an additional \$100 for necessary salaries and expenses shall be available until expended for each \$1,000,000 in additional guaranteed loan commitments (including a pro rata amount for any amount below \$1,000,000), but in no case shall funds made available by this proviso exceed \$3,000,000: *Provided further*, That receipts from Commitment and Multiclass fees collected pursuant to title III of the National Housing Act, as amended, shall be credited as offsetting collections to this account. (*Department of Housing and Urban Development Appropriations Act, 2014.*)

#### Special and Trust Fund Receipts (in millions of dollars)

Identification code 86-0186-0-1-371	2013 actual	2014 est.	2015 est.
0100 Balance, start of year .....	6,083		
Appropriations:			
0500 Guarantees of Mortgage-backed Securities Loan Guarantee Program Account .....	-6,083		
0799 Balance, end of year .....			

#### Program and Financing (in millions of dollars)

Identification code 86-0186-0-1-371	2013 actual	2014 est.	2015 est.
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#### Obligations by program activity:

Credit program obligations:				
0707	Reestimates of loan guarantee subsidy .....	97	38	
0708	Interest on reestimates of loan guarantee subsidy .....	5	2	
0709	Administrative expenses .....	21	163	178
0799	Total direct obligations .....	123	203	178
0801	Servicing Expenses .....		62	57
0900	Total new obligations .....	123	265	235

#### Budgetary Resources:

Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1 .....		1	122
1011	Unobligated balance transfer from other accts [86-0238] ....		246	100
1012	Unobligated balance transfers between expired and unexpired accounts .....	3		
1050	Unobligated balance (total) .....	3	247	222
Budget authority:				
Appropriations, mandatory:				
1201	Pre-2013 Accumulated GNMA Receipts .....	6,083		
1220	Receipts transferred to GNMA Capital Reserve [86-0238] .....	-6,083		
1221	Appropriations transferred from other accts [86-0238] ....	102		
1260	Appropriations, mandatory (total) .....	102		

Spending authority from offsetting collections, discretionary:				
1700	Collected .....	137	77	94
1723	New and/or unobligated balance of spending authority from offsetting collections temporarily reduced .....	-1		
1725	Spending authority from offsetting collections precluded from obligation (limitation on obligations) .....	-114	-57	-66
1750	Spending auth from offsetting collections, disc (total) .....	22	20	28
Spending authority from offsetting collections, mandatory:				
1800	Collected .....		120	130
1850	Spending auth from offsetting collections, mand (total) .....		120	130
1900	Budget authority (total) .....	124	140	158
1930	Total budgetary resources available .....	127	387	380
Memorandum (non-add) entries:				
1940	Unobligated balance expiring .....	-3		
1941	Unexpired unobligated balance, end of year .....	1	122	145

#### Change in obligated balance:

Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1 .....	1	4	339
3010	Obligations incurred, unexpired accounts .....	123	265	235
3011	Obligations incurred, expired accounts .....	1		
3020	Outlays (gross) .....	-120	-182	-158
3031	Unpaid obligations transferred from other accts [86-4238] .....		252	
3041	Recoveries of prior year unpaid obligations, expired .....	-1		
3050	Unpaid obligations, end of year .....	4	339	416
Uncollected payments:				
3060	Uncollected pymts, Fed sources, brought forward, Oct 1 .....			-5
3081	Uncollected pymts from Fed sources transferred from other accounts [86-4238] .....		-5	
3090	Uncollected pymts, Fed sources, end of year .....		-5	-5
Memorandum (non-add) entries:				
3100	Obligated balance, start of year .....	1	4	334
3200	Obligated balance, end of year .....	4	334	411

#### Budget authority and outlays, net:

Discretionary:				
4000	Budget authority, gross .....	22	20	28
Outlays, gross:				
4010	Outlays from new discretionary authority .....	17	20	28
4011	Outlays from discretionary balances .....	1	2	
4020	Outlays, gross (total) .....	18	22	28
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4033	Non-Federal sources .....	-137	-77	-94
Mandatory:				
4090	Budget authority, gross .....	102	120	130
Outlays, gross:				
4100	Outlays from new mandatory authority .....		120	130
4101	Outlays from mandatory balances .....	102	40	
4110	Outlays, gross (total) .....	102	160	130
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4120	Federal sources .....		-120	-130
4180	Budget authority, net (total) .....	-13	-57	-66
4190	Outlays, net (total) .....	-17	-15	-66

#### Memorandum (non-add) entries:

5090	Unavailable balance, SOY: Offsetting collections .....	102	217	274
5091	Unavailable balance, EOY: Offsetting collections .....	217	274	340

#### Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 86-0186-0-1-371	2013 actual	2014 est.	2015 est.
Guaranteed loan levels supportable by subsidy budget authority:			
215001 Guarantees of Mortgage-Backed Securities .....	460,373	246,500	297,000
215999 Total loan guarantee levels .....	460,373	246,500	297,000
Guaranteed loan subsidy (in percent):			
232001 Guarantees of Mortgage-Backed Securities .....	-0.23	-0.22	-0.28
232999 Weighted average subsidy rate .....	-0.23	-0.22	-0.28
Guaranteed loan subsidy budget authority:			
233001 Guarantees of Mortgage-Backed Securities .....	-1,068	-542	-832
233999 Total subsidy budget authority .....	-1,068	-542	-832
Guaranteed loan subsidy outlays:			
234001 Guarantees of Mortgage-Backed Securities .....	-1,068	-542	-832
234999 Total subsidy outlays .....	-1,068	-542	-832
Guaranteed loan upward reestimates:			
235001 Guarantees of Mortgage-Backed Securities .....	102	40	

GUARANTEES OF MORTGAGE-BACKED SECURITIES LOAN GUARANTEE PROGRAM  
ACCOUNT—Continued

## Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program—Continued

Identification code 86-0186-0-1-371	2013 actual	2014 est.	2015 est.
23599 Total upward reestimate budget authority .....	102	40	.....
Guaranteed loan downward reestimates:			
Administrative expense data:			
3510 Budget authority .....	22	20	28
3590 Outlays from new authority .....	18	20	28

The Budget requests loan commitment authority of \$500 billion in 2015. The Budget also requests \$28 million for the personnel costs of the Government National Mortgage Association (GNMA), to be offset by Commitment and Multiclass fees. Before 2012, personnel expenses were funded in the "Office of Government National Mortgage Association" appropriation under the Management and Administration section of the HUD budget. For 2015, Ginnie Mae will execute a one-time Commitment fee increase effective October 1, 2014. The increase is projected to generate \$6 million in additional Commitment fee revenue in 2015.

## Object Classification (in millions of dollars)

Identification code 86-0186-0-1-371	2013 actual	2014 est.	2015 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent .....	13	14	21
12.1 Civilian personnel benefits .....	4	5	6
21.0 Travel and transportation of persons .....	.....	1	1
25.2 Other services from non-Federal sources .....	2	143	150
25.3 Other goods and services from Federal sources .....	2	.....	.....
41.0 Grants, subsidies, and contributions .....	97	38	.....
43.0 Interest and dividends .....	5	2	.....
99.0 Direct obligations .....	123	203	178
99.0 Reimbursable obligations .....	.....	62	57
99.9 Total new obligations .....	123	265	235

## Employment Summary

Identification code 86-0186-0-1-371	2013 actual	2014 est.	2015 est.
1001 Direct civilian full-time equivalent employment .....	108	120	163

## GUARANTEES OF MORTGAGE-BACKED SECURITIES FINANCING ACCOUNT

## Program and Financing (in millions of dollars)

Identification code 86-4240-0-3-371	2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>			
0003 Advances and other .....	2,070	4,056	4,290
0004 Preservation of collateral .....	.....	265	348
0091 Subtotal - Advances and Operating Expenses .....	2,070	4,321	4,638
Credit program obligations:			
0740 Negative subsidy obligations .....	1,068	542	832
0900 Total new obligations .....	3,138	4,863	5,470

## Budgetary Resources:

Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	680	2,238	1,449
1010 Unobligated balance transfer to other accts [86-0238] .....	.....	-200	-200
1020 Adjustment of unobligated bal brought forward, Oct 1 .....	97	.....	.....
1050 Unobligated balance (total) .....	777	2,038	1,249
Financing authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected .....	4,598	4,274	5,242
1801 Change in uncollected payments, Federal sources .....	1	.....	.....
1850 Spending auth from offsetting collections, mand (total) .....	4,599	4,274	5,242
1930 Total budgetary resources available .....	5,376	6,312	6,491

Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	2,238	1,449	1,021

## Change in obligated balance:

Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	210	114	306
3001 Adjustments to unpaid obligations, brought forward, Oct 1 .....	-98	.....	.....
3010 Obligations incurred, unexpired accounts .....	3,138	4,863	5,470
3020 Financing disbursements (gross) .....	-3,136	-4,786	-5,305
3031 Unpaid obligations transferred from other accts [86-4238] .....	.....	115	.....
3050 Unpaid obligations, end of year .....	114	306	471
Uncollected payments:			
3060 Uncollected pymts, Fed sources, brought forward, Oct 1 .....	-8	-8	-13
3061 Adjustments to uncollected pymts, Fed sources, brought forward, Oct 1 .....	1	.....	.....
3070 Change in uncollected pymts, Fed sources, unexpired .....	-1	.....	.....
3081 Uncollected pymts from Fed sources transferred from other accounts [86-4238] .....	.....	-5	.....
3090 Uncollected pymts, Fed sources, end of year .....	-8	-13	-13
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	105	106	293
3200 Obligated balance, end of year .....	106	293	458

## Financing authority and disbursements, net:

Mandatory:			
4090 Financing authority, gross .....	4,599	4,274	5,242
Financing disbursements:			
4110 Financing disbursements, gross .....	3,136	4,786	5,305
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4120 Federal sources .....	-102	-40	.....
4122 Interest on uninvested funds .....	-53	-31	-31
4123 Guarantee Fees .....	-861	-834	-829
4123 Repayment of advances .....	.....	-3,369	-4,382
4123 Repayment of advances .....	-3,582	.....	.....
4130 Offsets against gross budget authority and outlays (total) ....	-4,598	-4,274	-5,242
Additional offsets against financing authority only (total):			
4140 Change in uncollected pymts, Fed sources, unexpired .....	-1	.....	.....
4170 Outlays, net (mandatory) .....	-1,462	512	63
4190 Financing disbursements, net (total) .....	-1,462	512	63

## Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4240-0-3-371	2013 actual	2014 est.	2015 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders .....	500,000	500,000	500,000
2121 Limitation available from carry-forward .....	414,768	450,048	500,000
2142 Uncommitted loan guarantee limitation .....	-4,347	-203,548	-203,000
2143 Uncommitted limitation carried forward .....	-450,048	-500,000	-500,000
2150 Total guaranteed loan commitments .....	460,373	246,500	297,000
2199 Guaranteed amount of guaranteed loan commitments .....	460,373	246,500	296,700

## Cumulative balance of guaranteed loans outstanding:

2210 Outstanding, start of year .....	1,341,405	1,457,108	1,465,103
2231 Disbursements of new guaranteed loans .....	460,373	246,500	297,000
2251 Repayments and prepayments .....	-344,670	-238,505	-247,127
2290 Outstanding, end of year .....	1,457,108	1,465,103	1,514,976
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year .....	1,457,108	1,465,103	1,514,976

This non-budgetary account records all cash flows to and from the Government resulting from the loan guarantees committed in 1992 and beyond (including modifications of loan guarantees that resulted from obligations in any year). The amounts in this account are a means of financing and are not included in the budget totals. No administrative expenses can be recorded in the financing account.

## Balance Sheet (in millions of dollars)

Identification code 86-4240-0-3-371	2012 actual	2013 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury .....	882	2,344

1206	Non-Federal assets: Receivables, net .....	6,882	7,764
1401	Net value of assets related to post-1991 direct loans receivable: Direct loans receivable, gross .....	7,946	6,423
1505	Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable: Allowance for subsidy cost (-) .....	-342	-652
1999	Total assets .....	15,368	15,879
<b>LIABILITIES:</b>			
Non-Federal liabilities:			
2201	Accounts payable .....	111	114
2207	Other .....	7,089	7,806
2999	Total liabilities .....	7,200	7,920
<b>NET POSITION:</b>			
3300	Cumulative results of operations .....	8,168	7,959
4999	Total liabilities and net position .....	15,368	15,879

## GUARANTEES OF MORTGAGE-BACKED SECURITIES LIQUIDATING ACCOUNT

### Program and Financing (in millions of dollars)

Identification code 86-4238-0-3-371	2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>			
0001	Administrative contract expenses .....	338	.....
	Capital investment .....		
0101	Capital investment .....	3	11
0900	Total new obligations .....	338	3 11
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000	Unobligated balance brought forward, Oct 1 .....	1,992	1,442 97
1010	Unobligated balance transfer to other accts [86-0238] .....	.....	-1,342 .....
1020	Adjustment of unobligated bal brought forward, Oct 1 .....	-256	.....
1050	Unobligated balance (total) .....	1,736	100 97
Budget authority:			
Spending authority from offsetting collections, mandatory:			
1800	Collected .....	44	.....
1850	Spending auth from offsetting collections, mand (total) .....	44	.....
1930	Total budgetary resources available .....	1,780	100 97
Memorandum (non-add) entries:			
1941	Unexpired unobligated balance, end of year .....	1,442	97 86
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000	Unpaid obligations, brought forward, Oct 1 .....	123	367 .....
3001	Adjustments to unpaid obligations, brought forward, Oct 1 .....	256	.....
3010	Obligations incurred, unexpired accounts .....	338	3 11
3020	Outlays (gross) .....	-350	-3 -3
3030	Unpaid obligations transferred to other accts [86-0186] .....	.....	-252 .....
3030	Unpaid obligations transferred to other accts [86-4240] .....	.....	-115 .....
3050	Unpaid obligations, end of year .....	367	..... 8
Uncollected payments:			
3060	Uncollected pymts, Fed sources, brought forward, Oct 1 .....	-10	-10 .....
3080	Uncollected pymts from Fed sources transferred to other accounts [86-0186] .....	.....	5 .....
3080	Uncollected pymts from Fed sources transferred to other accounts [86-4240] .....	.....	5 .....
3090	Uncollected pymts, Fed sources, end of year .....	-10	.....
Memorandum (non-add) entries:			
3100	Obligated balance, start of year .....	369	357 .....
3200	Obligated balance, end of year .....	357	..... 8
<b>Budget authority and outlays, net:</b>			
Mandatory:			
4090	Budget authority, gross .....	44	.....
Outlays, gross:			
4101	Outlays from mandatory balances .....	350	3 3
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4121	Interest on Federal securities .....	-43	.....
4123	Non-Federal sources .....	-1	.....
4130	Offsets against gross budget authority and outlays (total) ....	-44	.....
4170	Outlays, net (mandatory) .....	306	3 3
4190	Outlays, net (total) .....	306	3 3
<b>Memorandum (non-add) entries:</b>			
5000	Total investments, SOY: Federal securities: Par value .....	2,117	1,812 97

5001	Total investments, EOY: Federal securities: Par value .....	1,812	97	86
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### Status of Direct Loans (in millions of dollars)

Identification code 86-4238-0-3-371	2013 actual	2014 est.	2015 est.
Cumulative balance of direct loans outstanding:			
1210	Outstanding, start of year .....	8	8 7
1263	Write-offs for default: Direct loans .....	.....	-1 -1
1290	Outstanding, end of year .....	8	7 6

### Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4238-0-3-371	2013 actual	2014 est.	2015 est.
Cumulative balance of guaranteed loans outstanding:			
2210	Outstanding, start of year .....	2	1 1
2251	Repayments and prepayments .....	-1	..... -1
2290	Outstanding, end of year .....	1	1 .....

#### Memorandum:

2299	Guaranteed amount of guaranteed loans outstanding, end of year .....	.....	1 .....
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This liquidating account records, for this program, all cash flows to and from the Government resulting from GNMA loans insured prior to 1992 and is shown on a cash basis. All new activity in this program in 1992 and thereafter (including modifications of loans insured in any year) is recorded in the corresponding program and financing accounts.

### Balance Sheet (in millions of dollars)

Identification code 86-4238-0-3-371	2012 actual	2013 actual
<b>ASSETS:</b>		
Federal assets:		
Investments in US securities:		
1102	Treasury securities, par .....	2,117 1,812
1106	Receivables, net .....	6 9
1601	Direct loans, gross .....	8 8
1603	Allowance for estimated uncollectible loans and interest (-) .....	-4 -4
1699	Value of assets related to direct loans .....	4 4
1901	Other Federal assets: Other assets .....	41 36
1999	Total assets .....	2,168 1,861
<b>LIABILITIES:</b>		
Non-Federal liabilities:		
2201	Accounts payable .....	123 53
2207	Other .....	1 .....
2999	Total liabilities .....	124 53
<b>NET POSITION:</b>		
3300	Cumulative results of operations .....	2,044 1,808
4999	Total liabilities and net position .....	2,168 1,861

### Object Classification (in millions of dollars)

Identification code 86-4238-0-3-371	2013 actual	2014 est.	2015 est.
Direct obligations:			
25.2	Other services from non-Federal sources .....	334	.....
33.0	Investments and loans .....	4	3 11
99.9	Total new obligations .....	338	3 11

## POLICY DEVELOPMENT AND RESEARCH

### Federal Funds

#### RESEARCH AND TECHNOLOGY

For contracts, grants, and necessary expenses of programs of research and studies relating to housing and urban problems, not otherwise provided for, as authorized by title V of the Housing and Urban Development Act of 1970 (12 U.S.C. 1701z-1 et seq.), including carrying out the functions of the Secretary of Housing and Urban Development under section 1(a)(1)(i) of Reorganization Plan No. 2 of 1968, **[\$46,000,000]**

## RESEARCH AND TECHNOLOGY—Continued

\$50,000,000, to remain available until September 30, [2015] 2016: *Provided*, That with respect to amounts made available under this heading, notwithstanding section 204 of this title, the Secretary may enter into cooperative agreements funded with philanthropic entities, other Federal agencies, or State or local governments and their agencies for research projects: *Provided further*, That with respect to the previous proviso, such partners to the cooperative agreements must contribute at least a 50 percent match toward the cost of the project [; *Provided further*, That for non-competitive agreements entered into in accordance with the previous two provisos, the Secretary of Housing and Urban Development shall comply with section 2(b) of the Federal Funding Accountability and Transparency Act of 2006 (Public Law 109–282, 31 U.S.C. note) in lieu of compliance with section 102(a)(4)(C) with respect to documentation of award decisions]. (*Department of Housing and Urban Development Appropriations Act, 2014.*)

## Program and Financing (in millions of dollars)

Identification code 86–0108–0–1–451	2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>			
0001 Contracts, Grants and Cooperative Agreements .....	47	49	50
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	5	3	.....
1021 Recoveries of prior year unpaid obligations .....	1	.....	.....
1029 Other balances withdrawn .....	–1	.....	.....
1050 Unobligated balance (total) .....	5	3	.....
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	46	46	50
1130 Appropriations permanently reduced .....	–2	.....	.....
1160 Appropriation, discretionary (total) .....	44	46	50
Spending authority from offsetting collections, discretionary:			
1700 Collected .....	1	.....	.....
1750 Spending auth from offsetting collections, disc (total) .....	1	.....	.....
1900 Budget authority (total) .....	45	46	50
1930 Total budgetary resources available .....	50	49	50
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	3	.....	.....
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	31	21	17
3010 Obligations incurred, unexpired accounts .....	47	49	50
3020 Outlays (gross) .....	–55	–53	–53
3040 Recoveries of prior year unpaid obligations, unexpired .....	–1	.....	.....
3041 Recoveries of prior year unpaid obligations, expired .....	–1	.....	.....
3050 Unpaid obligations, end of year .....	21	17	14
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	31	21	17
3200 Obligated balance, end of year .....	21	17	14
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	45	46	50
Outlays, gross:			
4010 Outlays from new discretionary authority .....	33	34	37
4011 Outlays from discretionary balances .....	22	19	16
4020 Outlays, gross (total) .....	55	53	53
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources .....	–1	.....	.....
4180 Budget authority, net (total) .....	44	46	50
4190 Outlays, net (total) .....	54	53	53

The Housing and Urban Development Act of 1970 directs the Secretary to undertake programs of research, studies, testing, and demonstrations related to HUD's mission. These functions are carried out by HUD's Office of Policy Development and Research, and through contracts with industry, nonprofit research organizations, educational institutions, and through cooperative agreements with State and local governments, other Federal agencies, and philanthropic entities.

The Budget requests \$50 million for HUD's Research and Technology program. This request includes funding to restore and enhance various national housing surveys that are rich sources of data on the nation's housing stock, including the American Housing Survey, the Survey of New Home Sales and Completions, the Survey of Market Absorption of Multifamily Units, the Survey of New Manufactured Housing Placements, and the Rental Housing Finance Survey. Also included in the request is funding for research dissemination activities, for the Urban Data Systems, for housing finance studies, and for Research Partnerships. The data produced in the Research and Technology program also assists HUD in developing its Research Roadmap, and provides the basis for research and evaluation priorities in the Transformation Initiative program.

## Object Classification (in millions of dollars)

Identification code 86–0108–0–1–451	2013 actual	2014 est.	2015 est.
Direct obligations:			
25.2 Other services from non-Federal sources .....	8	9	10
25.3 Other goods and services from Federal sources .....	38	39	39
41.0 Grants, subsidies, and contributions .....	1	1	1
99.9 Total new obligations .....	47	49	50

## FAIR HOUSING AND EQUAL OPPORTUNITY

## Federal Funds

## FAIR HOUSING ACTIVITIES

For contracts, grants, and other assistance, not otherwise provided for, as authorized by title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988, and section 561 of the Housing and Community Development Act of 1987, as amended, [\$66,000,000] \$71,000,000, to remain available until September 30, [2015] 2016, of which [\$40,100,000] \$45,600,000 shall be to carry out activities pursuant to such section 561: *Provided*, That notwithstanding 31 U.S.C. 3302, the Secretary may assess and collect fees to cover the costs of the Fair Housing Training Academy, and may use such funds to provide such training: *Provided further*, That no funds made available under this heading shall be used to lobby the executive or legislative branches of the Federal Government in connection with a specific contract, grant or loan: *Provided further*, That of the funds made available under this heading, \$300,000 shall be available to the Secretary of Housing and Urban Development for the creation and promotion of translated materials and other programs that support the assistance of persons with limited English proficiency in utilizing the services provided by the Department of Housing and Urban Development. (*Department of Housing and Urban Development Appropriations Act, 2014.*)

## Program and Financing (in millions of dollars)

Identification code 86–0144–0–1–751	2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>			
0001 Fair Housing Assistance .....	57	41	23
0002 Fair Housing Initiatives .....	1	41	46
0004 Limited English Proficiency Program .....	1	1	.....
0005 National Fair Housing Training Academy .....	.....	.....	2
0900 Total new obligations (object class 41.0) .....	59	83	71
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	9	17	.....
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	71	66	71
1130 Appropriations permanently reduced .....	–4	.....	.....
1160 Appropriation, discretionary (total) .....	67	66	71
1930 Total budgetary resources available .....	76	83	71
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	17	.....	.....

<b>Change in obligated balance:</b>				
Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1 .....	102	88	100
3010	Obligations incurred, unexpired accounts .....	59	83	71
3020	Outlays (gross) .....	-73	-71	-72
3050	Unpaid obligations, end of year .....	88	100	99
Memorandum (non-add) entries:				
3100	Obligated balance, start of year .....	102	88	100
3200	Obligated balance, end of year .....	88	100	99
<b>Budget authority and outlays, net:</b>				
Discretionary:				
4000	Budget authority, gross .....	67	66	71
Outlays, gross:				
4010	Outlays from new discretionary authority .....	3	6	7
4011	Outlays from discretionary balances .....	70	65	65
4020	Outlays, gross (total) .....	73	71	72
4180	Budget authority, net (total) .....	67	66	71
4190	Outlays, net (total) .....	73	71	72

The Budget requests \$71 million for fair housing activities to support efforts to end housing discrimination. Of the amount requested, \$23.3 million is for the Fair Housing Assistance Program (FHAP), \$45.6 million is for the Fair Housing Initiatives Program (FHIP), \$1.8 million is for the National Fair Housing Training Academy, and \$300 thousand is for the Limited English Proficiency Initiative (LEPI).

FHAP, authorized by Title VIII of the Civil Rights Act of 1968, as amended, provides funding to State and local agencies to assure prompt and effective processing of complaints under substantially equivalent State and local fair housing laws. To be eligible for assistance through FHAP, an agency must demonstrate that the fair housing law it administers is substantially equivalent to the Fair Housing Act. It is estimated that there will be a total of 90 FHAP jurisdictions in 2015. The funding requested for FHAP will support fair housing enforcement by funding State and local fair housing organizations to meet the needs of currently underserved populations. It will also address the national and ongoing problem of discrimination against minority homebuyers and renters, as identified in the 2012 Housing Discrimination Against Racial and Ethnic Minorities Study.

FHIP, authorized by the Housing and Community Development Act of 1987, as amended by the Housing and Community Development Act of 1992, provides funding to States and local governments, and to public and private non-profit organizations that administer programs to prevent or eliminate discriminatory housing practices through enforcement, education, and outreach.

The National Fair Housing Training Academy (NFTHA) provides comprehensive fair housing and civil rights training for investigators, local agencies, educators, attorneys, industry representatives and other housing industry professionals.

LEPI provides funds for oral interpretation and written translation services, which help make fair housing programs and activities accessible to people who are not proficient in English.

## OFFICE OF LEAD HAZARD CONTROL AND HEALTHY HOMES

### Federal Funds

#### LEAD HAZARD REDUCTION

For the Lead Hazard Reduction Program, as authorized by section 1011 of the Residential Lead-Based Paint Hazard Reduction Act of 1992, [§110,000,000] \$120,000,000, to remain available until September 30, [2015] 2016: *Provided*, That up to [§15,000,000] \$25,000,000 of that amount shall be for the Healthy Homes Initiative, pursuant to sections 501 and 502 of the Housing and Urban Development Act of 1970 that shall include research, studies, testing, and demonstration efforts, including education and outreach concerning lead-based paint poisoning and

other housing-related diseases and hazards: *Provided further*, That for purposes of environmental review, pursuant to the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) and other provisions of the law that further the purposes of such Act, a grant under the Healthy Homes Initiative, or the Lead Technical Studies program under this heading or under prior appropriations Acts for such purposes under this heading, shall be considered to be funds for a special project for purposes of section 305(c) of the Multifamily Housing Property Disposition Reform Act of 1994: [Provided further, That of the total amount made available under this heading, \$45,000,000 shall be made available on a competitive basis for areas with the highest lead paint abatement needs: *Provided further*, That each recipient of funds provided under the third proviso shall make a matching contribution in an amount not less than 25 percent: *Provided further*, That each applicant shall certify adequate capacity that is acceptable to the Secretary to carry out the proposed use of funds pursuant to a notice of funding availability:] *Provided further*, That amounts made available under this heading in this or prior appropriations Acts, and that still remain available, may be used for any purpose under this heading notwithstanding the purpose for which such amounts were appropriated if a program competition is undersubscribed and there are other program competitions under this heading that are oversubscribed. (*Department of Housing and Urban Development Appropriations Act, 2014.*)

#### Program and Financing (in millions of dollars)

Identification code 86-0174-0-1-451	2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>			
0001 Lead Hazard Reduction Grants .....	58	50	93
0002 Lead Hazard Reduction Demonstration .....	38	45	.....
0003 Healthy Homes .....	18	15	25
0004 Lead Technical Studies .....	3	4	2
0900 Total new obligations (object class 41.0) .....	117	114	120
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	8	5	1
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	120	110	120
1120 Appropriations transferred to other accts [86-0402] .....	.....	.....	-1
1130 Appropriations permanently reduced .....	-6	.....	.....
1160 Appropriation, discretionary (total) .....	114	110	119
1930 Total budgetary resources available .....	122	115	120
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	5	1	.....
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	372	358	344
3010 Obligations incurred, unexpired accounts .....	117	114	120
3011 Obligations incurred, expired accounts .....	2	.....	.....
3020 Outlays (gross) .....	-125	-128	-129
3041 Recoveries of prior year unpaid obligations, expired .....	-8	.....	.....
3050 Unpaid obligations, end of year .....	358	344	335
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	372	358	344
3200 Obligated balance, end of year .....	358	344	335
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	114	110	119
Outlays, gross:			
4010 Outlays from new discretionary authority .....	1	2	2
4011 Outlays from discretionary balances .....	124	126	127
4020 Outlays, gross (total) .....	125	128	129
4180 Budget authority, net (total) .....	114	110	119
4190 Outlays, net (total) .....	125	128	129

Title X of the Housing and Community Development Act of 1992 (Public Law 102-550), known as the Residential Lead-Based Paint Hazard Reduction Act, authorized the Secretary to establish the Lead-Based Paint Hazard Control Grant Program. The primary purpose of the program is to reduce the exposure of young children to lead-based paint and other environmental

## LEAD HAZARD REDUCTION—Continued

hazards in their homes, including protecting them from permanent developmental problems and asthma, and exposure to pesticides and carbon monoxide.

The program plays a critical role in addressing the number one environmental disease impacting children: lead poisoning. The Budget request of \$120 million includes \$92 million for HUD's Lead Hazard Control Program, \$25 million for the Healthy Homes Program, and \$2 million for Technical Studies. The 2015 Budget includes a provision that would allow the transfer of unobligated balances and recaptured funds from undersubscribed competitive programs to other competitive programs experiencing oversubscription. The Budget also includes a general provision that would grant the Secretary authority to carry out investigations, administer oaths, and subpoena documents related to violations of the Lead Disclosure provision of Title X. In addition, HUD will submit a legislative package in the Spring with updates to program standards and definitions.

The Lead Hazard Control Grant Program provides grants of \$1 million to \$4 million to State and local governments and Indian tribes for control of lead-based paint hazards in private low-income rental and owner-occupied housing. The grants are also designed to facilitate the development of a housing maintenance and rehabilitation workforce trained in lead-safe work practices and a certified hazard evaluation and control industry. In awarding grants, HUD promotes the use of new, low-cost approaches to hazard control that can be replicated across the nation.

The Healthy Homes Program enables the Department to assess and control housing-related hazards that contribute to childhood diseases and injuries. With funding from this program, grantees implement and evaluate methods for controlling two or more housing-related diseases through a single intervention.

The Office of Healthy Homes and Lead Hazard Control will continue its Technical Support program, which includes public education; support for State and local agencies, private property owners, HUD programs and field offices and professional organizations; technical studies to improve program policy and implementation; quality control to ensure that the evaluation and control of lead-based paint hazards is done properly in HUD-assisted housing; and development of standards, technical guidance, regulations and improved testing and hazard control methods.

## MANAGEMENT AND ADMINISTRATION

## Federal Funds

## EXECUTIVE OFFICES

For necessary salaries and expenses for Executive Offices, which shall be comprised of the offices of the Secretary, Deputy Secretary, Adjudicatory Services, Congressional and Intergovernmental Relations, Public Affairs, Small and Disadvantaged Business Utilization, and the Center for Faith-Based and Neighborhood Partnerships, **[\$14,500,000]** **\$15,234,000: Provided**, That not to exceed \$25,000 of the amount made available under this heading shall be available to the Secretary for official reception and representation expenses as the Secretary may determine. (*Department of Housing and Urban Development Appropriations Act, 2014.*)

## Program and Financing (in millions of dollars)

Identification code 86-0332-0-1-604		2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>				
0001	Personnel costs .....		11	11
0002	Benefits .....		3	3
0003	Non-Personnel costs .....		1	1

0900	Total new obligations .....	15	15
<b>Budgetary Resources:</b>			
Budget authority:			
Appropriations, discretionary:			
1100	Appropriation .....	15	15
1160	Appropriation, discretionary (total) .....	15	15
1930	Total budgetary resources available .....	15	15
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3010	Obligations incurred, unexpired accounts .....	15	15
3020	Outlays (gross) .....	-15	-15
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000	Budget authority, gross .....	15	15
Outlays, gross:			
4010	Outlays from new discretionary authority .....	15	15
4180	Budget authority, net (total) .....	15	15
4190	Outlays, net (total) .....	15	15

The Executive Offices account supports the total salaries and expenses of various high level management offices, including the immediate offices of the Secretary; Deputy Secretary; Congressional and Intergovernmental Relations; Public Affairs; Adjudicatory Services; the Center for Faith-Based and Community Initiatives; and the Office of Small and Disadvantaged Utilization.

## Object Classification (in millions of dollars)

Identification code 86-0332-0-1-604		2013 actual	2014 est.	2015 est.
Direct obligations:				
11.1	Personnel compensation: Full-time permanent .....		11	11
12.1	Civilian personnel benefits .....		3	3
25.2	Other services from non-Federal sources .....		1	1
99.9	Total new obligations .....		15	15

## Employment Summary

Identification code 86-0332-0-1-604		2013 actual	2014 est.	2015 est.
1001	Direct civilian full-time equivalent employment .....		85	88

## ADMINISTRATIVE SUPPORT OFFICES

For necessary salaries and expenses for [administration, management and operations of offices of the Department of Housing and Urban Development, \$506,000,000, of] *Administrative Support Offices*, which [not to exceed \$47,900,000] shall be [available for] *composed of the [Office] offices of the Chief Financial Officer[; not to exceed \$94,000,000 shall be available for the Office of the], General Counsel[; not to exceed \$197,400,000 shall be available for the Office of], Administration[; not to exceed \$53,700,000 shall be available for the Office of the], Chief Human Capital Officer[; not to exceed \$53,000,000 shall be available for the Office of], Field Policy and Management[; not to exceed \$16,500,000 shall be available for the Office of the], Chief Procurement Officer[; not to exceed \$3,200,000 shall be available for the Office of], Departmental Equal Employment Opportunity[; not to exceed \$4,300,000 shall be available for the Office of], Strategic Planning and Management[; and not to exceed \$36,000,000 shall be available for the Office of the], and Chief Information Officer, \$530,783,000: Provided[*further*], That funds provided under this heading may be used for necessary administrative and non-administrative expenses of the Department of Housing and Urban Development, not otherwise provided for, including purchase of uniforms, or allowances therefore, as authorized by U.S.C. 5901-5902; hire of passenger motor vehicles; and services as authorized by 5 U.S.C. 3109: *Provided further*, That notwithstanding any other provision of law, funds appropriated under this heading may be used for advertising and promotional activities that support the housing mission area[; *Provided further*, That the Secretary shall provide the Committees on Appropriations quarterly written notification regarding the status of pending congressional reports: *Provided further*, That the Secretary shall provide*

all signed reports required by Congress electronically】. (*Department of Housing and Urban Development Appropriations Act, 2014.*)

**Program and Financing** (in millions of dollars)

Identification code 86-0335-0-1-999	2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>			
0001 Personnel compensation [& benefits] .....	302	212	213
0002 Non-personnel costs .....	204	208	231
0003 Benefits .....		86	87
0900 Total new obligations .....	506	506	531
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	2		
1012 Unobligated balance transfers between expired and unexpired accounts .....	2		
1050 Unobligated balance (total) .....	4		
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	538	506	531
1120 Appropriations transferred to other accts [86-4586] .....	-1		
1120 Appropriations transferred to other accts [86-0337] .....	-1		
1120 Appropriations transferred to other accts [86-0338] .....	-1		
1120 Appropriations transferred to other accts [86-0334] .....	-3		
1130 Appropriations permanently reduced .....	-28		
1160 Appropriation, discretionary (total) .....	504	506	531
Spending authority from offsetting collections, discretionary:			
1700 Collected .....	2		
1750 Spending auth from offsetting collections, disc (total) .....	2		
1900 Budget authority (total) .....	506	506	531
1930 Total budgetary resources available .....	510	506	531
Memorandum (non-add) entries:			
1940 Unobligated balance expiring .....	-4		
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	153	90	75
3010 Obligations incurred, unexpired accounts .....	506	506	531
3011 Obligations incurred, expired accounts .....	14		
3020 Outlays (gross) .....	-559	-521	-527
3041 Recoveries of prior year unpaid obligations, expired .....	-24		
3050 Unpaid obligations, end of year .....	90	75	79
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	153	90	75
3200 Obligated balance, end of year .....	90	75	79
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	506	506	531
Outlays, gross:			
4010 Outlays from new discretionary authority .....	457	431	452
4011 Outlays from discretionary balances .....	102	90	75
4020 Outlays, gross (total) .....	559	521	527
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources .....	-2		
4180 Budget authority, net (total) .....	504	506	531
4190 Outlays, net (total) .....	557	521	527

The proposed Administrative Support Offices (ASO) account funds central Departmental functions, including the offices of the Chief Human Capital Officer, Chief Financial Officer, Chief Procurement Officer, General Counsel, Field Policy and Management, Strategic Planning and Management, Departmental Equal Employment Opportunity, Chief Information Officer, and Administration. The ASO account supports all personnel and non-personnel expenses for these offices.

**Object Classification** (in millions of dollars)

Identification code 86-0335-0-1-999	2013 actual	2014 est.	2015 est.
<b>Direct obligations:</b>			
Personnel compensation:			
11.1 Full-time permanent .....	224	210	211
11.5 Other personnel compensation .....	2	2	2

11.9 Total personnel compensation .....	226	212	213
12.1 Civilian personnel benefits .....	76	86	87
21.0 Travel and transportation of persons .....	3	3	3
23.1 Rental payments to GSA .....	108	111	124
23.3 Communications, utilities, and miscellaneous charges .....	18	19	21
24.0 Printing and reproduction .....	2	2	2
25.2 Other services from non-Federal sources .....	68	70	78
26.0 Supplies and materials .....	2	2	2
31.0 Equipment .....	1	1	1
99.0 Direct obligations .....	504	506	531
99.0 Reimbursable obligations .....	2		
99.9 Total new obligations .....	506	506	531

**Employment Summary**

Identification code 86-0335-0-1-999	2013 actual	2014 est.	2015 est.
1001 Direct civilian full-time equivalent employment .....	2,123	2,052	2,017

**PUBLIC AND INDIAN HOUSING**

For necessary salaries and expenses of the Office of Public and Indian Housing, 【\$205,000,000】 \$213,664,000. (*Department of Housing and Urban Development Appropriations Act, 2014.*)

**Program and Financing** (in millions of dollars)

Identification code 86-0337-0-1-604	2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>			
0001 Personnel costs .....	144	150	159
0002 Benefits .....	40	41	44
0004 Non-personnel expenses .....	5	14	11
0900 Total new obligations .....	189	205	214
<b>Budgetary Resources:</b>			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	200	205	214
1121 Appropriations transferred from other accts [86-0335] ....	1		
1130 Appropriations permanently reduced .....	-10		
1160 Appropriation, discretionary (total) .....	191	205	214
1930 Total budgetary resources available .....	191	205	214
Memorandum (non-add) entries:			
1940 Unobligated balance expiring .....	-2		
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	8	5	2
3010 Obligations incurred, unexpired accounts .....	189	205	214
3011 Obligations incurred, expired accounts .....	6		
3020 Outlays (gross) .....	-192	-208	-213
3041 Recoveries of prior year unpaid obligations, expired .....	-6		
3050 Unpaid obligations, end of year .....	5	2	3
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	8	5	2
3200 Obligated balance, end of year .....	5	2	3
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	191	205	214
Outlays, gross:			
4010 Outlays from new discretionary authority .....	183	203	211
4011 Outlays from discretionary balances .....	9	5	2
4020 Outlays, gross (total) .....	192	208	213
4180 Budget authority, net (total) .....	191	205	214
4190 Outlays, net (total) .....	192	208	213

This account provides funding for all salaries and expenses of the Office of Public and Indian Housing, including the Office of the Assistant Secretary. The Office's mission is to ensure safe, decent, and affordable housing for low-income families; create opportunities for residents' self-sufficiency and economic independence; reduce improper payments; and support mixed-income developments to replace distressed public housing.

## PUBLIC AND INDIAN HOUSING—Continued

## Object Classification (in millions of dollars)

Identification code 86-0337-0-1-604	2013 actual	2014 est.	2015 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent .....	143	149	158
11.5 Other personnel compensation .....	1	1	1
11.9 Total personnel compensation .....	144	150	159
12.1 Civilian personnel benefits .....	40	41	44
21.0 Travel and transportation of persons .....	3	8	7
25.2 Other services from non-Federal sources .....	2	6	4
99.9 Total new obligations .....	189	205	214

## Employment Summary

Identification code 86-0337-0-1-604	2013 actual	2014 est.	2015 est.
1001 Direct civilian full-time equivalent employment .....	1,406	1,430	1,500

## COMMUNITY PLANNING AND DEVELOPMENT

For necessary salaries and expenses of the Office of Community Planning and Development, **[\$102,000,000] \$110,535,000.** (*Department of Housing and Urban Development Appropriations Act, 2014.*)

## Program and Financing (in millions of dollars)

Identification code 86-0338-0-1-451	2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>			
0001 Personnel costs .....	75	79	86
0002 Benefits .....	22	22	24
0006 Non-personnel expenses .....	2	3	2
0900 Total new obligations .....	99	104	112

## Budgetary Resources:

1000 Unobligated balance:			
Unobligated balance brought forward, Oct 1 .....	3	8	6
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	100	102	110
1121 Appropriations transferred from other accts [86-0335] .....	1		
1121 Appropriations transferred from other accts [86-0334] .....	1		
1121 Appropriations transferred from other accts [86-0162] .....	10		
1130 Appropriations permanently reduced .....	-6		
1160 Appropriation, discretionary (total) .....	106	102	110
1930 Total budgetary resources available .....	109	110	116
Memorandum (non-add) entries:			
1940 Unobligated balance expiring .....	-2		
1941 Unexpired unobligated balance, end of year .....	8	6	4

## Change in obligated balance:

Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	3	4	2
3010 Obligations incurred, unexpired accounts .....	99	104	112
3011 Obligations incurred, expired accounts .....	3		
3020 Outlays (gross) .....	-98	-106	-112
3041 Recoveries of prior year unpaid obligations, expired .....	-3		
3050 Unpaid obligations, end of year .....	4	2	2
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	3	4	2
3200 Obligated balance, end of year .....	4	2	2

## Budget authority and outlays, net:

Discretionary:			
4000 Budget authority, gross .....	106	102	110
Outlays, gross:			
4010 Outlays from new discretionary authority .....	93	101	109
4011 Outlays from discretionary balances .....	5	5	3
4020 Outlays, gross (total) .....	98	106	112
4180 Budget authority, net (total) .....	106	102	110
4190 Outlays, net (total) .....	98	106	112

This account provides funding for all salaries and expenses of the Office of Community Planning and Development, including

the Office of the Assistant Secretary. The Office provides funding to a broad array of state and local governments, and non-profit and for-profit organizations to administer a wide range of housing, economic development, and homeless assistance, as well as integrated planning for housing, transportation and infrastructure, disaster recovery, and other community development activities in urban and rural areas across the country.

## Object Classification (in millions of dollars)

Identification code 86-0338-0-1-451	2013 actual	2014 est.	2015 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent .....	75	75	80
11.5 Other personnel compensation .....		4	6
11.9 Total personnel compensation .....	75	79	86
12.1 Civilian personnel benefits .....	22	22	24
21.0 Travel and transportation of persons .....	1	1	1
25.2 Other services from non-Federal sources .....	1	2	1
99.9 Total new obligations .....	99	104	112

## Employment Summary

Identification code 86-0338-0-1-451	2013 actual	2014 est.	2015 est.
1001 Direct civilian full-time equivalent employment .....	769	767	823

## HOUSING

For necessary salaries and expenses of the Office of Housing, **[\$381,500,000] \$386,677,000**, of which at least \$8,000,000 shall be for the Office of Risk and Regulatory Affairs: *Provided*, That the Secretary shall ensure that an administrator of the Office of Manufactured Housing has been selected and begun such administration within 120 days of enactment of this Act: *Provided further*, That the funds made available under this heading shall be reduced by \$50,000 for each day that the Department is in violation of the previous proviso and any such funds shall be rescinded. (*Department of Housing and Urban Development Appropriations Act, 2014.*)

## Program and Financing (in millions of dollars)

Identification code 86-0334-0-1-604	2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>			
0001 Personnel costs .....	286	291	294
0002 Benefits .....	79	81	81
0003 Non-Personnel Service .....	7	9	12
0900 Total new obligations .....	372	381	387

## Budgetary Resources:

Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....		1	1
1012 Unobligated balance transfers between expired and unexpired accounts .....	2		
1050 Unobligated balance (total) .....	2	1	1
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	392	381	387
1120 Appropriations transferred to other accts [86-0338] .....	-1		
1120 Appropriations transferred to other accts [86-0340] .....	-1		
1121 Appropriations transferred from other accts [86-0335] .....	3		
1130 Appropriations permanently reduced .....	-20		
1160 Appropriation, discretionary (total) .....	373	381	387
1930 Total budgetary resources available .....	375	382	388
Memorandum (non-add) entries:			
1940 Unobligated balance expiring .....	-2		
1941 Unexpired unobligated balance, end of year .....	1	1	1

## Change in obligated balance:

Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	11	13	4
3010 Obligations incurred, unexpired accounts .....	372	381	387
3011 Obligations incurred, expired accounts .....	8		



3020	Outlays (gross) .....	-369	-390	-387
3041	Recoveries of prior year unpaid obligations, expired .....	-9		
3050	Unpaid obligations, end of year .....	13	4	4
Memorandum (non-add) entries:				
3100	Obligated balance, start of year .....	11	13	4
3200	Obligated balance, end of year .....	13	4	4
<b>Budget authority and outlays, net:</b>				
Discretionary:				
4000	Budget authority, gross .....	373	381	387
Outlays, gross:				
4010	Outlays from new discretionary authority .....	359	376	382
4011	Outlays from discretionary balances .....	10	14	5
4020	Outlays, gross (total) .....	369	390	387
4180	Budget authority, net (total) .....	373	381	387
4190	Outlays, net (total) .....	369	390	387

This account provides funding for all salaries and expenses of the Office of Housing, including the Office of the Federal Housing Commissioner. The mission of the Office is to maintain and expand homeownership, rental housing and healthcare opportunities; stabilize credit markets in times of economic disruption; and contribute to building and preserving healthy neighborhoods and communities.

**Object Classification** (in millions of dollars)

Identification code 86-0334-0-1-604	2013 actual	2014 est.	2015 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent .....	284	289	292
11.5 Other personnel compensation .....	2	2	2
11.9 Total personnel compensation .....	286	291	294
12.1 Civilian personnel benefits .....	79	81	81
21.0 Travel and transportation of persons .....	3	4	5
25.2 Other services from non-Federal sources .....	4	5	7
99.9 Total new obligations .....	372	381	387

**Employment Summary**

Identification code 86-0334-0-1-604	2013 actual	2014 est.	2015 est.
1001 Direct civilian full-time equivalent employment .....	2,961	2,892	2,841

**POLICY DEVELOPMENT AND RESEARCH**

For necessary salaries and expenses of the Office of Policy Development and Research, **[\$22,000,000] \$23,248,000.** (*Department of Housing and Urban Development Appropriations Act, 2014.*)

**Program and Financing** (in millions of dollars)

Identification code 86-0339-0-1-451	2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>			
0001 Personnel costs .....	15	17	18
0002 Benefits .....	5	4	4
0003 Non-personnel expenses .....	1	1	1
0900 Total new obligations .....	21	22	23
<b>Budgetary Resources:</b>			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	22	22	23
1130 Appropriations permanently reduced .....	-1		
1160 Appropriation, discretionary (total) .....	21	22	23
1930 Total budgetary resources available .....	21	22	23
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	1	1	
3010 Obligations incurred, unexpired accounts .....	21	22	23
3020 Outlays (gross) .....	-21	-23	-23
3050 Unpaid obligations, end of year .....	1		

Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	1	1	
3200 Obligated balance, end of year .....	1		

**Budget authority and outlays, net:**

Discretionary:			
4000 Budget authority, gross .....	21	22	23
Outlays, gross:			
4010 Outlays from new discretionary authority .....	20	22	23
4011 Outlays from discretionary balances .....	1	1	
4020 Outlays, gross (total) .....	21	23	23
4180 Budget authority, net (total) .....	21	22	23
4190 Outlays, net (total) .....	21	23	23

This account provides funding for all salaries and expenses of the Office of Policy Development and Research, including the Office of the Assistant Secretary. The Office is responsible for conducting research on priority housing and community development issues and maintaining current information on housing needs, market conditions, and program evaluations. The Office also provides objective data, technical and statistical sampling support, and analysis to help inform policy decisions.

**Object Classification** (in millions of dollars)

Identification code 86-0339-0-1-451	2013 actual	2014 est.	2015 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent .....	15	17	18
12.1 Civilian personnel benefits .....	5	4	4
25.2 Other services from non-Federal sources .....	1	1	1
99.9 Total new obligations .....	21	22	23

**Employment Summary**

Identification code 86-0339-0-1-451	2013 actual	2014 est.	2015 est.
1001 Direct civilian full-time equivalent employment .....	139	143	152

**FAIR HOUSING AND EQUAL OPPORTUNITY**

For necessary salaries and expenses of the Office of Fair Housing and Equal Opportunity, **[\$69,000,000] \$77,629,000.** (*Department of Housing and Urban Development Appropriations Act, 2014.*)

**Program and Financing** (in millions of dollars)

Identification code 86-0340-0-1-751	2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>			
0001 Personnel costs .....	52	52	59
0002 Benefits .....	15	15	17
0003 Non-personnel expenses .....	2	2	2
0900 Total new obligations .....	69	69	78
<b>Budgetary Resources:</b>			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	73	69	78
1121 Appropriations transferred from other accts [86-0334] ....	1		
1130 Appropriations permanently reduced .....	-4		
1160 Appropriation, discretionary (total) .....	70	69	78
1930 Total budgetary resources available .....	70	69	78
Memorandum (non-add) entries:			
1940 Unobligated balance expiring .....	-1		
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	2	3	1
3010 Obligations incurred, unexpired accounts .....	69	69	78
3011 Obligations incurred, expired accounts .....	2		
3020 Outlays (gross) .....	-68	-71	-78
3041 Recoveries of prior year unpaid obligations, expired .....	-2		
3050 Unpaid obligations, end of year .....	3	1	1
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	2	3	1

**FAIR HOUSING AND EQUAL OPPORTUNITY—Continued**  
**Program and Financing—Continued**

Identification code 86-0340-0-1-751	2013 actual	2014 est.	2015 est.
3200 Obligated balance, end of year .....	3	1	1
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	70	69	78
Outlays, gross:			
4010 Outlays from new discretionary authority .....	66	68	77
4011 Outlays from discretionary balances .....	2	3	1
4020 Outlays, gross (total) .....	68	71	78
4180 Budget authority, net (total) .....	70	69	78
4190 Outlays, net (total) .....	68	71	78

This account provides funding for all salaries and expenses of the Office of Fair Housing and Equal Opportunity, including the Office of the Assistant Secretary. The Office administers and enforces the Fair Housing Act and other civil rights laws and establishes policies to ensure all Americans have equal access to the housing of their choice.

**Object Classification (in millions of dollars)**

Identification code 86-0340-0-1-751	2013 actual	2014 est.	2015 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent .....	52	51	58
11.5 Other personnel compensation .....		1	1
11.9 Total personnel compensation .....	52	52	59
12.1 Civilian personnel benefits .....	15	15	17
21.0 Travel and transportation of persons .....	1	1	1
25.2 Other services from non-Federal sources .....	1	1	1
99.9 Total new obligations .....	69	69	78

**Employment Summary**

Identification code 86-0340-0-1-751	2013 actual	2014 est.	2015 est.
1001 Direct civilian full-time equivalent employment .....	543	534	595

**OFFICE OF LEAD HAZARD CONTROL AND HEALTHY HOMES**

For necessary salaries and expenses of the Office of Lead Hazard Control and Healthy Homes, **[\$7,000,000] \$7,879,000.** (*Department of Housing and Urban Development Appropriations Act, 2014.*)

**Program and Financing (in millions of dollars)**

Identification code 86-0341-0-1-451	2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>			
0001 Personnel costs .....	6	6	7
0002 Benefits .....	1	1	1
0900 Total new obligations .....	7	7	8
<b>Budgetary Resources:</b>			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	7	7	8
1160 Appropriation, discretionary (total) .....	7	7	8
1930 Total budgetary resources available .....	7	7	8
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3010 Obligations incurred, unexpired accounts .....	7	7	8
3020 Outlays (gross) .....	-7	-7	-8
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	7	7	8

Outlays, gross:			
4010 Outlays from new discretionary authority .....	7	7	8
4180 Budget authority, net (total) .....	7	7	8
4190 Outlays, net (total) .....	7	7	8

This account provides funding for all salaries and expenses of the Office of Healthy Homes and Lead Hazard Control. The Office seeks to eliminate lead-based paint hazards in America's privately-owned and low-income housing and to lead the nation in addressing other housing-related health hazards that threaten vulnerable low-income residents.

**Object Classification (in millions of dollars)**

Identification code 86-0341-0-1-451	2013 actual	2014 est.	2015 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent .....	6	6	7
12.1 Civilian personnel benefits .....	1	1	1
99.9 Total new obligations .....	7	7	8

**Employment Summary**

Identification code 86-0341-0-1-451	2013 actual	2014 est.	2015 est.
1001 Direct civilian full-time equivalent employment .....	54	52	58

**SALARIES AND EXPENSES**

**Program and Financing (in millions of dollars)**

Identification code 86-0143-0-1-999	2013 actual	2014 est.	2015 est.
<b>Direct program:</b>			
0001 Hurricane Katrina .....		3	
0801 Gulf Coast Disaster related activities .....	3		
0802 Sandy Task Force .....	6	2	
0803 Sandy DHAP .....		1	1
0899 Total reimbursable obligations .....	9	3	1
0900 Total new obligations .....	9	6	1
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	9	8	2
Budget authority:			
Spending authority from offsetting collections, discretionary:			
1700 Collected .....	8		
1750 Spending auth from offsetting collections, disc (total) .....	8		
1900 Budget authority (total) .....	8		
1930 Total budgetary resources available .....	17	8	2
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	8	2	1

**Change in obligated balance:**

Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....		3	3
3010 Obligations incurred, unexpired accounts .....	9	6	1
3020 Outlays (gross) .....	-5	-6	-1
3041 Recoveries of prior year unpaid obligations, expired .....	-1		
3050 Unpaid obligations, end of year .....	3	3	3
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....		3	3
3200 Obligated balance, end of year .....	3	3	3

**Budget authority and outlays, net:**

Discretionary:			
4000 Budget authority, gross .....	8		
Outlays, gross:			
4010 Outlays from new discretionary authority .....	3		
4011 Outlays from discretionary balances .....	2	6	1
4020 Outlays, gross (total) .....	5	6	1
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources .....	-8		
4190 Outlays, net (total) .....	-3	6	1

Beginning with the passage of the Consolidated Appropriations Act, 2008, this account no longer receives annual appropriations for Departmental administrative expenses. Instead, salary and expense funds are distributed across multiple accounts, achieving greater transparency and accountability within the Department. Resources in this account reflect prior-year disaster supplemental appropriations, as well as funds for disaster-related administrative expenses under certain interagency agreements.

**Object Classification** (in millions of dollars)

Identification code 86-0143-0-1-999	2013 actual	2014 est.	2015 est.
25.2 Direct obligations: Other services from non-Federal sources .....		3	
99.0 Reimbursable obligations .....	9	3	1
99.9 Total new obligations .....	9	6	1

**OFFICE OF INSPECTOR GENERAL**

For necessary salaries and expenses of the Office of Inspector General in carrying out the Inspector General Act of 1978, as amended, **[\$125,000,000] \$129,000,000: Provided, That the Inspector General shall have independent authority over all personnel and acquisition issues within this office. (Department of Housing and Urban Development Appropriations Act, 2014.)**

**Program and Financing** (in millions of dollars)

Identification code 86-0189-0-1-451	2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>			
0001 OIG Salaries and Benefits .....	117	97	94
0002 OIG Non-Personnel Costs .....		28	35
0003 Recovery Act related activities .....	3		
0004 Hurricane Sandy and Other Disaster related activities .....	2	3	2
0900 Total new obligations .....	122	128	131
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	4	9	6
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	124	125	129
1121 Appropriations transferred from other accts [86-0162] ....	10		
1130 Appropriations permanently reduced .....	-7		
1160 Appropriation, discretionary (total) .....	127	125	129
1930 Total budgetary resources available .....	131	134	135
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	9	6	4
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	17	12	21
3010 Obligations incurred, unexpired accounts .....	122	128	131
3011 Obligations incurred, expired accounts .....	3		
3020 Outlays (gross) .....	-127	-119	-130
3041 Recoveries of prior year unpaid obligations, expired .....	-3		
3050 Unpaid obligations, end of year .....	12	21	22
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	17	12	21
3200 Obligated balance, end of year .....	12	21	22
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	127	125	129
Outlays, gross:			
4010 Outlays from new discretionary authority .....	108	104	107
4011 Outlays from discretionary balances .....	19	15	23
4020 Outlays, gross (total) .....	127	119	130
4180 Budget authority, net (total) .....	127	125	129
4190 Outlays, net (total) .....	127	119	130

The Office of the Inspector General (OIG) provides independent and objective reviews of the integrity, efficiency and effectiveness of Departmental programs and operations. Through various

activities, the OIG seeks to promote efficiency and effectiveness in programs and operations, detect and deter fraud and abuse, investigate allegations of misconduct by HUD employees, and review and make recommendations regarding existing and proposed legislation and regulations affecting HUD. The Budget includes \$129 million to support agency-wide audit and investigative functions.

**Object Classification** (in millions of dollars)

Identification code 86-0189-0-1-451	2013 actual	2014 est.	2015 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent .....	64	64	62
11.5 Other personnel compensation .....	5	8	7
11.9 Total personnel compensation .....	69	72	69
12.1 Civilian personnel benefits .....	24	28	27
21.0 Travel and transportation of persons .....	5	5	6
23.1 Rental payments to GSA .....	9	9	12
25.2 Other services from non-Federal sources .....	14	14	17
31.0 Equipment .....	1		
99.9 Total new obligations .....	122	128	131

**Employment Summary**

Identification code 86-0189-0-1-451	2013 actual	2014 est.	2015 est.
1001 Direct civilian full-time equivalent employment .....	617	665	637

**INFORMATION TECHNOLOGY FUND**

For the development of, modifications to, and infrastructure for Department-wide and program-specific information technology systems, for the continuing operation and maintenance of both Department-wide and program-specific information systems, and for program-related maintenance activities, **[\$250,000,000, of which \$205,000,000] \$272,000,000, which shall remain available until September 30, [2015] 2016 [**, and of which \$45,000,000 shall remain available until September 30, 2016 for Development, Modernization and Enhancement**]; Provided, That any amounts transferred to this Fund under this Act shall remain available until expended: Provided further, That any amounts transferred to this Fund from amounts appropriated by previously enacted appropriations Acts may be used for the purposes specified under this Fund, in addition to any other information technology purposes for which such amounts were appropriated[; Provided further, That not more than 25 percent of the funds made available under this heading for Development, Modernization and Enhancement, including development and deployment of a Next Generation Management System and development and deployment of modernized Federal Housing Administration systems may be obligated until the Secretary submits to the Committees on Appropriations and the Comptroller General of the United States a plan for expenditure that—(A) provides for all information technology investments: (i) the cost and schedule baselines with explanations for each associated variance, (ii) the status of functional and performance capabilities delivered or planned to be delivered, and (iii) mitigation strategies to address identified risks; (B) outlines activities to ensure strategic, consistent, and effective application of information technology management controls: (i) enterprise architecture, (ii) project management, (iii) investment management, and (iv) human capital management]. (Department of Housing and Urban Development Appropriations Act, 2014.)**

**Program and Financing** (in millions of dollars)

Identification code 86-4586-0-4-451	2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>			
0001 Information Technology Expenses .....	283	283	275
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	109	90	61
1021 Recoveries of prior year unpaid obligations .....	6	4	4

INFORMATION TECHNOLOGY FUND—Continued  
Program and Financing—Continued

Identification code 86-4586-0-4-451		2013 actual	2014 est.	2015 est.
1050	Unobligated balance (total) .....	115	94	65
	Budget authority:			
	Appropriations, discretionary:			
1100	Appropriation .....	199	250	272
1121	Appropriations transferred from other accts [86-0183] ....	68		
1121	Appropriations transferred from other accts [86-0335] ....	1		
1132	Appropriations temporarily reduced .....	-10		
1160	Appropriation, discretionary (total) .....	258	250	272
	Spending authority from offsetting collections, discretionary:			
1700	Collected .....	1		
1750	Spending auth from offsetting collections, disc (total) .....	1		
1900	Budget authority (total) .....	259	250	272
1930	Total budgetary resources available .....	374	344	337
	Memorandum (non-add) entries:			
1940	Unobligated balance expiring .....	-1		
1941	Unexpired unobligated balance, end of year .....	90	61	62
<b>Change in obligated balance:</b>				
	Unpaid obligations:			
3000	Unpaid obligations, brought forward, Oct 1 .....	210	236	259
3010	Obligations incurred, unexpired accounts .....	283	283	275
3020	Outlays (gross) .....	-249	-256	-254
3040	Recoveries of prior year unpaid obligations, unexpired .....	-6	-4	-4
3041	Recoveries of prior year unpaid obligations, expired .....	-2		
3050	Unpaid obligations, end of year .....	236	259	276
	Memorandum (non-add) entries:			
3100	Obligated balance, start of year .....	210	236	259
3200	Obligated balance, end of year .....	236	259	276
<b>Budget authority and outlays, net:</b>				
	Discretionary:			
4000	Budget authority, gross .....	259	250	272
	Outlays, gross:			
4010	Outlays from new discretionary authority .....	34	62	76
4011	Outlays from discretionary balances .....	215	194	178
4020	Outlays, gross (total) .....	249	256	254
	Offsets against gross budget authority and outlays:			
	Offsetting collections (collected) from:			
4030	Federal sources .....	-1		
4180	Budget authority, net (total) .....	258	250	272
4190	Outlays, net (total) .....	248	256	254
<b>Memorandum (non-add) entries:</b>				
5092	Unavailable balance, SOY: Appropriations .....		10	10
5093	Unavailable balance, EOY: Appropriations .....	10	10	10

The Information Technology Fund (formerly the Working Capital Fund) funds the information technology (IT) systems that support Departmental programs and operations, including FHA Mortgage Insurance, housing assistance, grant and disaster relief programs, as well as core financial and general operations. The Budget provides \$272 million for the development, modernization, enhancement, operation and maintenance of HUD's IT infrastructure and systems.

## Object Classification (in millions of dollars)

Identification code 86-4586-0-4-451		2013 actual	2014 est.	2015 est.
	Direct obligations:			
23.3	Communications, utilities, and miscellaneous charges .....	156	156	183
25.2	Other services from non-Federal sources .....	8	20	
25.3	Other goods and services from Federal sources .....			1
25.7	Operation and maintenance of equipment .....	118	107	88
31.0	Equipment .....	1		3
99.9	Total new obligations .....	283	283	275

## TRANSFORMATION INITIATIVE

[For necessary expenses of research, evaluation, and program metrics activities; program demonstrations; and technical assistance and capacity

building, \$40,000,000 to remain available until September 30, 2016: *Provided*, That prior to obligation of technical assistance and capacity building funding, the Secretary shall submit a plan, for approval, to the House and Senate Committees on Appropriations on how it will allocate funding for this activity: **1** *Of the amounts made available in this Act under each of the following headings under this title, the Secretary may transfer to, and merge with, this account up to 0.5 percent from each such account, and such transferred amounts shall be available until September 30, 2017, for (1) research, evaluation, and program metrics; (2) program demonstrations; and (3) technical assistance and capacity building: "Capacity Building", "Choice Neighborhoods Initiative", "Community Development Fund", "Fair Housing Activities", "Family Self-Sufficiency", "HOME Investment Partnerships Program", "Homeless Assistance Grants", "Housing Counseling Assistance", "Housing for Persons with Disabilities", "Housing for the Elderly", "Housing Opportunities for Persons with AIDS", "Lead Hazard Reduction", "Mutual Mortgage Insurance Program Account", "Native American Housing Block Grant", "Native Hawaiian Housing Block Grant", "Project-Based Rental Assistance", "Public Housing Capital Fund", "Public Housing Operating Fund", "Rental Assistance Demonstration", and "Tenant-Based Rental Assistance":* *Provided*, That any such amounts, or portion thereof, transferred to this account, may be transferred back to be merged with any such other account and to be available for the same purpose and same time period as provided under this Act: *Provided further*, That with respect to amounts made available under this heading for research, evaluation and program metrics or program demonstrations, notwithstanding section 204 of this title, the Secretary may enter into cooperative agreements funded with philanthropic entities, other Federal agencies, or State or local governments and their agencies for such projects: *Provided further*, That with respect to the previous proviso, such partners to the cooperative agreements must contribute at least a 50 percent match toward the cost of the project.

## Program and Financing (in millions of dollars)

Identification code 86-0402-0-1-451		2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>				
0001	TI Research and Demonstrations .....	20	15	35
0002	TI Technical Assistance and Capacity Building .....	58	25	45
0003	TI Information Technology .....	83		
0004	Combat Mortgage Fraud .....	1		
0900	Total new obligations (object class 25.2) .....	162	40	80
<b>Budgetary Resources:</b>				
	Unobligated balance:			
1000	Unobligated balance brought forward, Oct 1 .....	127	22	22
1021	Recoveries of prior year unpaid obligations .....	12		
1050	Unobligated balance (total) .....	139	22	22
	Budget authority:			
	Appropriations, discretionary:			
1100	Appropriation .....	50	40	
1121	Appropriations transferred from other accts [86-0162] ....			14
1121	Appropriations transferred from other accts [86-0205] ....			5
1121	Appropriations transferred from other accts [86-0308] ....			2
1121	Appropriations transferred from other accts [86-0163] ....			10
1121	Appropriations transferred from other accts [86-0320] ....			2
1121	Appropriations transferred from other accts [86-0237] ....			1
1121	Appropriations transferred from other accts [86-0174] ....			1
1121	Appropriations transferred from other accts [86-0303] ....			15
1121	Appropriations transferred from other accts [86-0304] ....			10
1121	Appropriations transferred from other accts [86-0313] ....			3
1121	Appropriations transferred from other accts [86-0349] ....			1
1121	Appropriations transferred from other accts [86-0302] ....			15
1121	Appropriations transferred from other accts [86-0183] ....			1
1130	Appropriations permanently reduced .....	-3		
1160	Appropriation, discretionary (total) .....	47	40	80
1930	Total budgetary resources available .....	186	62	102
	Memorandum (non-add) entries:			
1940	Unobligated balance expiring .....	-2		
1941	Unexpired unobligated balance, end of year .....	22	22	22

## Change in obligated balance:

	Unpaid obligations:			
3000	Unpaid obligations, brought forward, Oct 1 .....	210	252	190
3010	Obligations incurred, unexpired accounts .....	162	40	80
3011	Obligations incurred, expired accounts .....	3		
3020	Outlays (gross) .....	-107	-102	-88
3040	Recoveries of prior year unpaid obligations, unexpired .....	-12		

3041	Recoveries of prior year unpaid obligations, expired .....	-4		
3050	Unpaid obligations, end of year .....	252	190	182
Memorandum (non-add) entries:				
3100	Obligated balance, start of year .....	210	252	190
3200	Obligated balance, end of year .....	252	190	182
<b>Budget authority and outlays, net:</b>				
Discretionary:				
4000	Budget authority, gross .....	47	40	80
Outlays, gross:				
4010	Outlays from new discretionary authority .....			1
4011	Outlays from discretionary balances .....	107	102	87
4020	Outlays, gross (total) .....	107	102	88
4180	Budget authority, net (total) .....	47	40	80
4190	Outlays, net (total) .....	107	102	88

Initiated in 2010, the Transformation Initiative (TI) is an ongoing effort aimed at increasing the effectiveness of program and service delivery, facilitating an evidence-based approach to improving program outcomes, and enabling innovative approaches to address the nation's housing and urban development problems. The 2015 Budget proposes TI transfers up to a maximum of 0.5 percent per program or \$15 million, whichever is less, and \$80 million in total. The Budget proposes to use these funds for three complementary purposes: (1) research, evaluation and program metrics, (2) program demonstrations, and (3) technical assistance and capacity building.

Through an extensive consultation and prioritization process, HUD's Office of Policy Development and Research (PD&R) has developed the "Research Roadmap 2014–2018," which identifies research and evaluation priorities that will continue to set HUD on a path to address the most pressing housing and urban development challenges. The TI provides a predictable stream of funding for these high quality research and evaluation projects and program demonstrations that will inform sound policymaking. The TI supplements HUD's Research and Technology appropriations, which are mainly dedicated to funding housing data, such as the American Housing Survey.

The TI also enables HUD to design and execute a series of major research demonstrations that rigorously test new program innovations. Demonstrations can be used to explore fundamental questions about housing market dynamics and their impact on economic, social and environmental objectives. The demonstrations will improve programs, help State and local governments, non-profits, and for profit organizations to develop more effective strategies for housing and community and economic development, and improve the delivery and reduce the cost of public services.

Traditionally, HUD has delivered program-oriented technical assistance to ensure that HUD grantees are fully aware of the rules governing the disparate programs. While awareness of rules is necessary, effective responses to urban and housing challenges increasingly require coordination and awareness of diverse areas of knowledge: housing finance as well as land use, energy efficiency as well as healthy homes, community development as well as transportation planning, and accessibility as well as job creation. The TI enables HUD to develop enhanced and focused support to deliver cross-program technical assistance for States, local governments, and other HUD grantees for integrated management and planning across programs and jurisdictions, including improved use of data to drive decision-making and results. In 2015, HUD will strengthen its focus on using TI to deliver comprehensive capacity building to help distressed communities position themselves for revitalization and economic growth.

The following table illustrates the *maximum* and *estimated* transfers from HUD's programs into the Transformation Initiative account in 2015.

Program Name (amounts in thousands)	Treasury Account	2015 Maximum Transfer	2015 Estimated Transfer
Capacity Building .....	86-0405	100	100
Choice Neighborhoods .....	86-0349	600	600
Community Development Fund .....	86-0162	14,350	14,350
Fair Housing Activities .....	86-0144	355	355
Family Self Sufficiency .....	86-0350	375	375
HOME Investment Partnerships Program .....	86-0205	4,750	4,750
Homeless Assistance Grants .....	86-0192	12,032	0
Housing Counseling Assistance .....	86-0156	300	300
Housing for Persons with Disabilities (Section 811) .....	86-0237	800	800
Housing for the Elderly (Section 202) .....	86-0320	2,200	2,200
Housing Opportunities for Persons with AIDS .....	86-0308	1,660	1,660
Lead Hazard Reduction .....	86-0174	600	600
Mutual Mortgage Insurance Program Account .....	86-0183	850	850
Native American Housing Block Grants .....	86-0313	3,250	3,250
Native Hawaiian Housing Block Grants .....	86-0235	65	65
Project-Based Rental Assistance .....	86-0303	48,730	15,000
Public Housing Capital Fund .....	86-0304	9,625	9,625
Public Housing Operating Fund .....	86-0163	23,000	10,070
Rental Assistance Demonstration .....	86-0406	50	50
Tenant-Based Rental Assistance .....	86-0302	100,225	15,000
Transfer Total .....		223,917 <sup>1</sup>	80,000 <sup>2</sup>

<sup>1</sup>Amount represents maximum TI transfers in 2015 - 0.5% of program funding.

<sup>2</sup>Amount represents estimated TI transfers based on the 2015 Budget priorities and program requirements. Estimated TI transfers from HAG (exempted), PBRA, Public Housing Operating Fund, and TBRA are less than the maximum.

### Trust Funds

#### GIFTS AND BEQUESTS

##### Special and Trust Fund Receipts (in millions of dollars)

Identification code 86-8093-0-7-451	2013 actual	2014 est.	2015 est.
0100 Balance, start of year .....			1
Receipts:			
0220 Gifts and Bequests .....		1	
0400 Total: Balances and collections .....		1	1
0799 Balance, end of year .....		1	1

##### Program and Financing (in millions of dollars)

Identification code 86-8093-0-7-451	2013 actual	2014 est.	2015 est.
<b>Obligations by program activity:</b>			
0001 Gifts and bequests .....	1	1	
0900 Total new obligations (object class 41.0) .....	1	1	
<b>Budgetary Resources:</b>			
Budget authority:			
Spending authority from offsetting collections, discretionary:			
1700 Collected .....	1	1	
1750 Spending auth from offsetting collections, disc (total) .....	1	1	
1900 Budget authority (total) .....	1	1	
1930 Total budgetary resources available .....	1	1	
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	2	2	
3010 Obligations incurred, unexpired accounts .....	1	1	
3020 Outlays (gross) .....	-1	-3	
3050 Unpaid obligations, end of year .....	2		
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	2	2	
3200 Obligated balance, end of year .....	2		

##### Budget authority and outlays, net:

Discretionary:			
4000 Budget authority, gross .....	1	1	
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4033 Non-Federal sources .....	-1	-1	

GIFTS AND BEQUESTS—Continued  
Program and Financing—Continued

Identification code 86-8093-0-7-451	2013 actual	2014 est.	2015 est.
Mandatory:			
Outlays, gross:			
4101 Outlays from mandatory balances .....	1	3	.....
4190 Outlays, net (total) .....		2	.....

The Secretary of Housing and Urban Development (HUD) is authorized to accept, hold, administer, and utilize gifts and bequests of property, both real and personal, for the purpose of aiding or facilitating the work of the Department (42 U.S.C. 3535(k)). Property and the proceeds are used in accordance with the terms of the gift and bequest.

The amounts received in this account in 2013 and 2014 support the Rebuild by Design program, a multi-stage regional design competition launched by the Hurricane Sandy Rebuilding Task Force to promote resilience in the Sandy-affected region.

## GENERAL FUND RECEIPT ACCOUNTS

(in millions of dollars)

	2013 actual	2014 est.	2015 est.
Offsetting receipts from the public:			
86-267810 Green Retrofit Program for Multifamily Housing, Downward Reestimates of Subsidies .....		5	.....
86-271910 FHA-general and Special Risk, Negative Subsidies .....	913	927	876
86-271930 FHA-general and Special Risk, Downward Reestimates of Subsidies .....	529	2,060	.....
86-274330 Indian Housing Loan Guarantees, Downward Reestimates of Subsidies .....	12	6	.....
86-276230 Title VI Indian Loan Guarantee Downward Reestimate .....	3	2	.....
86-277330 Community Development Loan Guarantees, Downward Reestimates .....	3	7	.....
86-279930 Native Hawaiian Housing Loan Guarantees, Downward Reestimates of Subsidies .....	1	2	.....
86-322000 All Other General Fund Proprietary Receipts Including Budget Clearing Accounts .....	4	12	12
General Fund Offsetting receipts from the public .....	1,465	3,021	888
Intragovernmental payments:			
86-388510 Undistributed Intragovernmental Payments .....	23	7	7
General Fund Intragovernmental payments .....	23	7	7

## GENERAL PROVISIONS—DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

(INCLUDING TRANSFER OF FUNDS)

SEC. 201. *Section 1012(b) of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988 (42 U.S.C. 1437 note) is amended to read as follows:*

"Fifty percent of the amounts of budget authority, or in lieu thereof 50 percent of the cash amounts associated with such budget authority, that are recaptured from projects described in section 1012(a) of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988 (42 U.S.C. 1437 note) shall be rescinded or in the case of cash, shall be remitted to the Treasury, and such amounts of budget authority or cash recaptured and not rescinded or remitted to the Treasury shall be used by State housing finance agencies or local governments or local housing agencies with projects approved by the Secretary of Housing and Urban Development for which settlement occurred after January 1, 1992, in accordance with such section. Notwithstanding the previous sentence, the Secretary may award up to 15 percent of the budget authority or cash recaptured and not rescinded or remitted to the Treasury to provide project owners with incentives to refinance their project at a lower interest rate."

SEC. 202. None of the amounts made available under this Act may be used during fiscal year [2014] 2015 to investigate or prosecute under

the Fair Housing Act any otherwise lawful activity engaged in by one or more persons, including the filing or maintaining of a nonfrivolous legal action, that is engaged in solely for the purpose of achieving or preventing action by a Government official or entity, or a court of competent jurisdiction.

SEC. 203. Sections 203 and 209 of division C of Public Law 112-55 (125 Stat. 693-694) shall apply during fiscal year [2014] 2015 as if such sections were included in this title, except that during such fiscal year such sections shall be applied by substituting "fiscal year [2014] 2015" for "fiscal year 2011" and for "fiscal year 2012" each place such terms appear, and shall be amended to reflect revised delineations of statistical areas established by the Office of Management and Budget pursuant to 44 U.S.C. 3504(e)(3), 31 U.S.C., 1104(d), and Executive Order 10253.

SEC. 204. Except as explicitly provided in law, any grant, cooperative agreement or other assistance made pursuant to title II of this Act shall be made on a competitive basis and in accordance with section 102 of the Department of Housing and Urban Development Reform Act of 1989 (42 U.S.C. 3545).

SEC. 205. *Section 7 of the Department of Housing and Urban Development Act (42 U.S.C. 3535) is amended by adding at the end the following new subsection:*

"(u)(1) Funds of the Department of Housing and Urban Development subject to the Government Corporation Control Act or section 402 of the Housing Act of 1950 shall be available, without regard to the limitations on administrative expenses, for legal services on a contract or fee basis, and for utilizing and making payment for services and facilities of the Federal National Mortgage Association, Government National Mortgage Association, Federal Home Loan Mortgage Corporation, Federal Financing Bank, Federal Reserve banks or any member thereof, Federal Home Loan banks, and any insured bank within the meaning of the Federal Deposit Insurance Corporation Act, as amended (12 U.S.C. 1811-1).

"(2) Corporations and agencies of the Department which are subject to the Government Corporation Control Act shall make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accordance with law, and to make such contracts and commitments without regard to fiscal year limitations, as provided by section 104 of such Act, as may be necessary in carrying out the programs of such corporation or agency. Collections of these corporations and agencies may be used for new loan or mortgage purchase commitments only to the extent provided in an appropriations act (unless such loans are in support of other forms of assistance provided for in appropriations acts), except that this paragraph shall not apply to the mortgage insurance or guaranty operations of these corporations, or where loans or mortgage purchases are necessary to protect the financial interest of the United States Government."

SEC. 206. Unless otherwise provided for in this Act or through a reprogramming of funds, no part of any appropriation for the Department of Housing and Urban Development shall be available for any program, project or activity in excess of amounts set forth in the budget estimates submitted to Congress.]

SEC. 207. Corporations and agencies of the Department of Housing and Urban Development which are subject to the Government Corporation Control Act are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accordance with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of such Act as may be necessary in carrying out the programs set forth in the budget for 2014 for such corporation or agency except as hereinafter provided: *Provided*, That collections of these corporations and agencies may be used for new loan or mortgage purchase commitments only to the extent expressly provided for in this Act (unless such loans are in support of other forms of assistance provided for in this or prior appropriations Acts), except that this proviso shall not apply to the mortgage insurance or guaranty operations of these corporations, or where loans or mortgage purchases are necessary to protect the financial interest of the United States Government.]

SEC. 208. The Secretary of Housing and Urban Development shall provide quarterly reports to the House and Senate Committees on Appropriations regarding all uncommitted, unobligated, recaptured and excess funds in each program and activity within the jurisdiction of the Depart-

ment and shall submit additional, updated budget information to these Committees upon request.】

【SEC. 209. The President's formal budget request for fiscal year 2015, as well as the Department of Housing and Urban Development's congressional budget justifications to be submitted to the Committees on Appropriations of the House of Representatives and the Senate, shall use the identical account and sub-account structure provided under this Act.】

【SEC. 210. Paragraph (2)(B)(i) of section 3(a) of the United States Housing Act of 1937 (42 U.S.C. 1437a(a)) is amended—

(1) in the matter preceding subclause (I)—

(A) by striking "Except as otherwise provided under this clause, each" and inserting "Each"; and

(B) by inserting after "which shall" the following: "not be lower than 80 percent of the applicable fair market rental established under section 8(c) of this Act and which shall"; and

(2) by striking the undesignated matter following subclause (II) and inserting the following: "Public housing agencies must comply by June 1, 2014, with the requirement of this clause, except that if a new flat rental amount for a dwelling unit will increase a family's existing rental payment by more than 35 percent, the new flat rental amount shall be phased in as necessary to ensure that the family's existing rental payment does not increase by more than 35 percent annually. The preceding sentence shall not be construed to require establishment of rental amounts equal to 80 percent of the fair market rental in years when the fair market rental falls from the prior year."】

SEC. 【211】206. A public housing agency or such other entity that administers Federal housing assistance for the Housing Authority of 【the county of Los Angeles, California,】 the 【States】 State of Alaska【, Iowa, and Mississippi】 shall not be required to include a resident of public housing or a recipient of assistance provided under section 8 of the United States Housing Act of 1937 on the board of directors or a similar governing board of such agency or entity as required under section (2)(b) of such Act. Each public housing agency or other entity that administers Federal housing assistance under section 8 for the Housing Authority of 【the county of Los Angeles, California and】 the 【States】 State of Alaska【, Iowa and Mississippi】 that chooses not to include a resident of public housing or a recipient of section 8 assistance on the board of directors or a similar governing board shall establish an advisory board of not less than six residents of public housing or recipients of section 8 assistance to provide advice and comment to the public housing agency or other administering entity on issues related to public housing and section 8. Such advisory board shall meet not less than quarterly.

【SEC. 212. Subparagraph (A) of section 3(b)(6) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(6)(A)) is amended by inserting before the period at the end the following: ", or a consortium of such entities or bodies as approved by the Secretary".】

【SEC. 213. No funds provided under this title may be used for an audit of the Government National Mortgage Association that makes applicable requirements under the Federal Credit Reform Act of 1990 (2 U.S.C. 661 et seq.).】

SEC. 【214】207. (a) Notwithstanding any other provision of law, subject to the conditions listed under this section, for fiscal years 【2014】 2015 and 【2015】 2016, the Secretary of Housing and Urban Development may authorize the transfer of some or all project-based assistance, debt held or insured by the Secretary and statutorily required low-income and very low-income use restrictions if any, associated with one or more multifamily housing project or projects to another multifamily housing project or projects.

(b) PHASED TRANSFERS.—Transfers of project-based assistance under this section may be done in phases to accommodate the financing and other requirements related to rehabilitating or constructing the project or projects to which the assistance is transferred, to ensure that such project or projects meet the standards under subsection (c).

(c) The transfer authorized in subsection (a) is subject to the following conditions:

(1) NUMBER AND BEDROOM SIZE OF UNITS.—

(A) For occupied units in the transferring project: the number of low-income and very low-income units and the configuration (i.e. bedroom size) provided by the transferring project shall be no less than when transferred to the receiving project or projects and the net dollar amount of Federal assistance provided to the transferring project shall remain the same in the receiving project or projects.

(B) For unoccupied units in the transferring project: the Secretary may authorize a reduction in the number of dwelling units in the receiving project or projects to allow for a reconfiguration of bedroom sizes to meet current market demands, as determined by the Secretary and provided there is no increase in the project-based assistance budget authority.

(2) The transferring project shall, as determined by the Secretary, be either physically obsolete or economically nonviable.

(3) The receiving project or projects shall meet or exceed applicable physical standards established by the Secretary.

(4) The owner or mortgagor of the transferring project shall notify and consult with the tenants residing in the transferring project and provide a certification of approval by all appropriate local governmental officials.

(5) The tenants of the transferring project who remain eligible for assistance to be provided by the receiving project or projects shall not be required to vacate their units in the transferring project or projects until new units in the receiving project are available for occupancy.

(6) The Secretary determines that this transfer is in the best interest of the tenants.

(7) If either the transferring project or the receiving project or projects meets the condition specified in subsection (d)(2)(A), any lien on the receiving project resulting from additional financing obtained by the owner shall be subordinate to any FHA-insured mortgage lien transferred to, or placed on, such project by the Secretary, except that the Secretary may waive this requirement upon determination that such a waiver is necessary to facilitate the financing of acquisition, construction, and/or rehabilitation of the receiving project or projects.

(8) If the transferring project meets the requirements of subsection (d)(2), the owner or mortgagor of the receiving project or projects shall execute and record either a continuation of the existing use agreement or a new use agreement for the project where, in either case, any use restrictions in such agreement are of no lesser duration than the existing use restrictions.

(9) The transfer does not increase the cost (as defined in section 502 of the Congressional Budget Act of 1974, as amended) of any FHA-insured mortgage, except to the extent that appropriations are provided in advance for the amount of any such increased cost.

(d) For purposes of this section—

(1) the terms "low-income" and "very low-income" shall have the meanings provided by the statute and/or regulations governing the program under which the project is insured or assisted;

(2) the term "multifamily housing project" means housing that meets one of the following conditions—

(A) housing that is subject to a mortgage insured under the National Housing Act;

(B) housing that has project-based assistance attached to the structure including projects undergoing mark to market debt restructuring under the Multifamily Assisted Housing Reform and Affordability Housing Act;

(C) housing that is assisted under section 202 of the Housing Act of 1959 as amended by section 801 of the Cranston-Gonzales National Affordable Housing Act;

(D) housing that is assisted under section 202 of the Housing Act of 1959, as such section existed before the enactment of the Cranston-Gonzales National Affordable Housing Act;

(E) housing that is assisted under section 811 of the Cranston-Gonzales National Affordable Housing Act; or

(F) housing or vacant land that is subject to a use agreement;

(3) the term "project-based assistance" means—

(A) assistance provided under section 8(b) of the United States Housing Act of 1937;

(B) assistance for housing constructed or substantially rehabilitated pursuant to assistance provided under section 8(b)(2) of such Act (as such section existed immediately before October 1, 1983);

(C) rent supplement payments under section 101 of the Housing and Urban Development Act of 1965;

(D) interest reduction payments under section 236 and/or additional assistance payments under section 236(f)(2) of the National Housing Act;

(E) assistance payments made under section 202(c)(2) of the Housing Act of 1959; and

(F) assistance payments made under section 811(d)(2) of the Cranston-Gonzalez National Affordable Housing Act;

(4) the term "receiving project or projects" means the multifamily housing project or projects to which some or all of the project-based assistance, debt, and statutorily required low-income and very low-income use restrictions are to be transferred;

(5) the term "transferring project" means the multifamily housing project which is transferring some or all of the project-based assistance, debt and the statutorily required low-income and very low-income use restrictions to the receiving project or projects; and

(6) the term "Secretary" means the Secretary of Housing and Urban Development.

(e) PUBLIC NOTICE AND RESEARCH REPORT.—

(1) The Secretary shall publish by notice in the Federal Register the terms and conditions, including criteria for HUD approval, of transfers pursuant to this section no later than 30 days before the effective date of such notice.

(2) The Secretary shall conduct an evaluation of the transfer authority under this section, including the effect of such transfers on the operational efficiency, contract rents, physical and financial conditions, and long-term preservation of the affected properties.

SEC. [215]208. (a) No assistance shall be provided under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f) to any individual who—

(1) is enrolled as a student at an institution of higher education (as defined under section 102 of the Higher Education Act of 1965 (20 U.S.C. 1002));

(2) is under 24 years of age;

(3) is not a veteran;

(4) is unmarried;

(5) does not have a dependent child;

(6) is not a person with disabilities, as such term is defined in section 3(b)(3)(E) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(3)(E)) and was not receiving assistance under such section 8 as of November 30, 2005; and

(7) is not otherwise individually eligible, or has parents who, individually or jointly, are not eligible, to receive assistance under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f).

(b) For purposes of determining the eligibility of a person to receive assistance under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f), any financial assistance (in excess of amounts received for tuition and any other required fees and charges) that an individual receives under the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.), from private sources, or an institution of higher education (as defined under the Higher Education Act of 1965 (20 U.S.C. 1002)), shall be considered income to that individual, except for a person over the age of 23 with dependent children.

【SEC. 216. The funds made available for Native Alaskans under the heading "Native American Housing Block Grants" in title II of this Act shall be allocated to the same Native Alaskan housing block grant recipients that received funds in fiscal year 2005.】

SEC. [217]209. 【Notwithstanding the limitation in the first sentence of section 255(g) of the National Housing Act (12 U.S.C. 1715z-20(g)), the Secretary of Housing and Urban Development may, until September 30, 2014, insure and enter into commitments to insure mortgages under such section 255.】 *Section 255(g) of the National Housing Act (12 U.S.C. 1715z-20(g)) is amended by striking "AUTHORITY—" and all that follows through "275,000." and inserting "AMOUNT.—".*

SEC. [218]210. Notwithstanding any other provision of law, in fiscal year [2014] 2015, in managing and disposing of any multifamily property that is owned or has a mortgage held by the Secretary of Housing and Urban Development, and during the process of foreclosure on any property with a contract for rental assistance payments under section 8 of the United States Housing Act of 1937 or other Federal programs, the Secretary shall maintain any rental assistance payments under section 8 of the United States Housing Act of 1937 and other programs that are attached to any dwelling units in the property. To the extent the Secretary determines, in consultation with the tenants and the local government, that such a multifamily property owned or held by the Secretary is not feasible for continued rental assistance payments under such section 8 or other programs, based on consideration of (1) the costs of rehabilitating and operating the property and all available Federal, State, and local

resources, including rent adjustments under section 524 of the Multifamily Assisted Housing Reform and Affordability Act of 1997 ("MAHRAA") and (2) environmental conditions that cannot be remedied in a cost-effective fashion, the Secretary may, in consultation with the tenants of that property, contract for project-based rental assistance payments with an owner or owners of other existing housing properties, or provide other rental assistance. The Secretary shall also take appropriate steps to ensure that project-based contracts remain in effect prior to foreclosure, subject to the exercise of contractual abatement remedies to assist relocation of tenants for imminent major threats to health and safety after written notice to and informed consent of the affected tenants and use of other available remedies, such as partial abatements or receivership. After disposition of any multifamily property described under this section, the contract and allowable rent levels on such properties shall be subject to the requirements under section 524 of MAHRAA.

【SEC. 219. Notwithstanding any other provision of law, the recipient of a grant under section 202b of the Housing Act of 1959 (12 U.S.C. 1701q) after December 26, 2000, in accordance with the unnumbered paragraph at the end of section 202(b) of such Act, may, at its option, establish a single-asset nonprofit entity to own the project and may lend the grant funds to such entity, which may be a private nonprofit organization described in section 831 of the American Homeownership and Economic Opportunity Act of 2000.】

【SEC. 220. (a) INSPECTIONS.—Section 8(o)(8) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)(8)) is amended—

(1) by redesignating subparagraph (E) as subparagraph (G); and

(2) by striking subparagraph (D) and inserting the following new subparagraphs:

"(D) BIENNIAL INSPECTIONS.—

"(i) REQUIREMENT.—Each public housing agency providing assistance under this subsection (or other entity, as provided in paragraph (11)) shall, for each assisted dwelling unit, make inspections not less often than biennially during the term of the housing assistance payments contract for the unit to determine whether the unit is maintained in accordance with the requirements under subparagraph (A).

"(ii) USE OF ALTERNATIVE INSPECTION METHOD.—The requirements under clause (i) may be complied with by use of inspections that qualify as an alternative inspection method pursuant to subparagraph (E).

"(iii) RECORDS.—The public housing agency (or other entity) shall retain the records of the inspection for a reasonable time, as determined by the Secretary, and shall make the records available upon request to the Secretary, the Inspector General for the Department of Housing and Urban Development, and any auditor conducting an audit under section 5(h).

"(iv) MIXED-FINANCE PROPERTIES.—The Secretary may adjust the frequency of inspections for mixed-finance properties assisted with vouchers under paragraph (13) to facilitate the use of the alternative inspections in subparagraph (E).

"(E) ALTERNATIVE INSPECTION METHOD.—An inspection of a property shall qualify as an alternative inspection method for purposes of this subparagraph if—

"(i) the inspection was conducted pursuant to requirements under a Federal, State, or local housing program (including the Home investment partnership program under title II of the Cranston-Gonzalez National Affordable Housing Act and the low-income housing tax credit program under section 42 of the Internal Revenue Code of 1986); and

"(ii) pursuant to such inspection, the property was determined to meet the standards or requirements regarding housing quality or safety applicable to properties assisted under such program, and, if a non-Federal standard or requirement was used, the public housing agency has certified to the Secretary that such standard or requirement provides the same (or greater) protection to occupants of dwelling units meeting such standard or requirement as would the housing quality standards under subparagraph (B).

"(F) INTERIM INSPECTIONS.—Upon notification to the public housing agency, by a family (on whose behalf tenant-based rental assistance is provided under this subsection) or by a government official, that the dwelling unit for which such assistance is provided does not comply with the housing quality standards under subparagraph (B), the public housing agency shall inspect the dwelling unit—



"(i) in the case of any condition that is life-threatening, within 24 hours after the agency's receipt of such notification, unless waived by the Secretary in extraordinary circumstances; and

"(ii) in the case of any condition that is not life-threatening, within a reasonable time frame, as determined by the Secretary."

(b) **EFFECTIVE DATE.**—The amendments in subsection (a) shall take effect upon such date as the Secretary determines, in the Secretary's sole discretion, through the Secretary's publication of such date in the Federal Register, as part of regulations promulgated, or a notice issued, by the Secretary to implement such amendments.】

**SEC. 【221】211.** 【The commitment authority provided under the heading "Community Development Loan Guarantees Program Account" may be used to guarantee, or make commitments to guarantee, notes, or other obligations issued by any State on behalf of non-entitlement communities in the State in accordance with the requirements of section 108 of the Housing and Community Development Act of 1974: *Provided*, That any State receiving such a guarantee or commitment shall distribute all funds subject to such guarantee to the units of general local government in non-entitlement areas that received the commitment.】 **COMMUNITY DEVELOPMENT LOAN GUARANTEE AMENDMENTS.** — *Section 108 of the Housing and Community Development Act of 1974 (42 U.S.C. 5308) is amended—*

(1) in subsection (a) by inserting "States on behalf of non-entitlement communities," after "issued by such eligible public entities,";

(2) by striking subsection (k) and inserting the following:

"(k) The Secretary shall monitor the use by eligible public entities and states of commitment amounts authorized in appropriation Acts for any fiscal year. If the Secretary finds that 50 percent of the annual commitment amount has been committed, the Secretary may impose a limitation on the amount of guarantees any one entity may receive in any fiscal year of \$35,000,000 for units of general local government receiving grants under section 106(b) or states receiving grants under section 106(d) and \$7,000,000 for units of general local government receiving grants under section 106(d); or request the enactment of legislation increasing the annual commitment authority for guarantees under this section."; and

(3) by striking subsection (m) and inserting the following new subsection:

"(m) **DISTRIBUTION OF FUNDS TO LOCAL GOVERNMENTS IN NON-ENTITLEMENT AREAS.**—Any State receiving a guarantee or commitment on behalf of non-entitlement areas shall distribute all funds that are subject to such guarantee to the units of general local government in non-entitlement areas that received the commitment."

【**SEC. 222.** Public housing agencies that own and operate 400 or fewer public housing units may elect to be exempt from any asset management requirement imposed by the Secretary of Housing and Urban Development in connection with the operating fund rule: *Provided*, That an agency seeking a discontinuance of a reduction of subsidy under the operating fund formula shall not be exempt from asset management requirements.】

【**SEC. 223.** With respect to the use of amounts provided in this Act and in future Acts for the operation, capital improvement and management of public housing as authorized by sections 9(d) and 9(e) of the United States Housing Act of 1937 (42 U.S.C. 1437g(d) and (e)), the Secretary shall not impose any requirement or guideline relating to asset management that restricts or limits in any way the use of capital funds for central office costs pursuant to section 9(g)(1) or 9(g)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437g(g)(1), (2)): *Provided*, That a public housing agency may not use capital funds authorized under section 9(d) for activities that are eligible under section 9(e) for assistance with amounts from the operating fund in excess of the amounts permitted under section 9(g)(1) or 9(g)(2).】

**SEC. 【224】212.** No official or employee of the Department of Housing and Urban Development shall be designated as an allotment holder unless the Office of the Chief Financial Officer has determined that such allotment holder has implemented an adequate system of funds control and has received training in funds control procedures and directives. The Chief Financial Officer shall ensure that there is a trained allotment holder for each HUD sub-office under the accounts "Executive Offices" and "Administrative Support Offices," as well as each account receiving appropriations for "Program Office Salaries and Expenses" within the Department of Housing and Urban Development.

【**SEC. 225.** The Secretary of Housing and Urban Development shall report annually to the House and Senate Committees on Appropriations

on the status of all section 8 project-based housing, including the number of all project-based units by region as well as an analysis of all federally subsidized housing being refinanced under the Mark-to-Market program. The Secretary shall in the report identify all existing units maintained by region as section 8 project-based units and all project-based units that have opted out of section 8 or have otherwise been eliminated as section 8 project-based units. The Secretary shall identify in detail and by project all the efforts made by the Department to preserve all section 8 project-based housing units and all the reasons for any units which opted out or otherwise were lost as section 8 project-based units. Such analysis shall include a review of the impact of the loss of any subsidized units in that housing marketplace, such as the impact of cost and the loss of available subsidized, low-income housing in areas with scarce housing resources for low-income families.】

**SEC. 【226】213.** The Secretary of the Department of Housing and Urban Development shall, for fiscal year 【2014 and subsequent fiscal years】 2015, notify the public through the Federal Register and other means, as determined appropriate, of the issuance of a notice of the availability of assistance or notice of funding availability (NOFA) for any program or discretionary fund administered by the Secretary that is to be competitively awarded. Notwithstanding any other provision of law, for fiscal year 【2014 and subsequent fiscal years】 2015, the Secretary may make the NOFA available only on the Internet at the appropriate Government Web site or through other electronic media, as determined by the Secretary.

【**SEC. 227.** Payment of attorney fees in program-related litigation must be paid from individual program office personnel benefits and compensation funding. The annual budget submission for program office personnel benefit and compensation funding must include program-related litigation costs for attorney fees as a separate line item request.】

**SEC. 【228】214.** The Secretary of the Department of Housing and Urban Development is authorized to transfer up to 5 percent or 【\$5,000,000】 \$10,000,000, whichever is less, of the funds appropriated for any 【office】 account under the headings "Management and Administration", "Program Office Salaries and Expenses", or "Government National Mortgage Association" to any other account funded under 【the heading】 such headings ["Administrative Support Offices" to any other office funded under such heading: *Provided*, That no appropriation for any office funded under the heading "Administrative Support Offices" shall be increased or decreased by more than 5 percent or \$5,000,000, whichever is less, without prior written approval of the House and Senate Committees on Appropriations: *Provided further*, That the Secretary is authorized to transfer up to 5 percent or \$5,000,000, whichever is less, of the funds appropriated for any account funded under the general heading "Program Office Salaries and Expenses" to any other account funded under such heading: *Provided* 【further】], That no appropriation for any account funded under 【the general】 such headings ["Program Office Salaries and Expenses"] shall be increased or decreased by more than 5 percent or 【\$5,000,000】 \$10,000,000, whichever is less, without prior written 【approval of】 notification to the House and Senate Committees on Appropriations: *Provided further*, That the Secretary may transfer funds made available for salaries and expenses between any office funded under the heading "Administrative Support Offices" and any account funded under the general heading "Program Office Salaries and Expenses", but only with the prior written approval of the House and Senate Committees on Appropriations.】

**SEC. 【229】215.** The Disaster Housing Assistance Programs, administered by the Department of Housing and Urban Development, shall be considered a "program of the Department of Housing and Urban Development" under section 904 of the McKinney Act for the purpose of income verifications and matching.

**SEC. 【230】216.** (a) The Secretary of Housing and Urban Development shall take the required actions under subsection (b) when a multifamily housing project with a section 8 contract or contract for similar project-based assistance:

(1) receives a Real Estate Assessment Center (REAC) score of 30 or less; or

(2) receives a REAC score between 31 and 59 and:

(A) fails to certify in writing to HUD within 60 days that all deficiencies have been corrected; or

(B) receives consecutive scores of less than 60 on REAC inspections.

Such requirements shall apply to insured and noninsured projects with assistance attached to the units under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f), but do not apply to such units assisted under section 8(o)(13) (42 U.S.C. 1437f(o)(13)) or to public housing units assisted with capital or operating funds under section 9 of the United States Housing Act of 1937 (42 U.S.C. 1437g).

(b) The Secretary shall take the following required actions as authorized under subsection (a)—

(1) The Secretary shall notify the owner and provide an opportunity for response within 30 days. If the violations remain, the Secretary shall develop a Compliance, Disposition and Enforcement Plan within 60 days, with a specified timetable for correcting all deficiencies. The Secretary shall provide notice of the Plan to the owner, tenants, the local government, any mortgagees, and any contract administrator.

(2) At the end of the term of the Compliance, Disposition and Enforcement Plan, if the owner fails to fully comply with such plan, the Secretary may require immediate replacement of project management with a management agent approved by the Secretary, and shall take one or more of the following actions, and provide additional notice of those actions to the owner and the parties specified above:

(A) impose civil money penalties;

(B) abate the section 8 contract, including partial abatement, as determined by the Secretary, until all deficiencies have been corrected;

(C) pursue transfer of the project to an owner, approved by the Secretary under established procedures, which will be obligated to promptly make all required repairs and to accept renewal of the assistance contract as long as such renewal is offered; or

(D) seek judicial appointment of a receiver to manage the property and cure all project deficiencies or seek a judicial order of specific performance requiring the owner to cure all project deficiencies.

(c) The Secretary shall also take appropriate steps to ensure that project-based contracts remain in effect, subject to the exercise of contractual abatement remedies to assist relocation of tenants for imminent major threats to health and safety after written notice to and informed consent of the affected tenants and use of other remedies set forth above. To the extent the Secretary determines, in consultation with the tenants and the local government, that the property is not feasible for continued rental assistance payments under such section 8 or other programs, based on consideration of (1) the costs of rehabilitating and operating the property and all available Federal, State, and local resources, including rent adjustments under section 524 of the Multifamily Assisted Housing Reform and Affordability Act of 1997 ("MAHRAA") and (2) environmental conditions that cannot be remedied in a cost-effective fashion, the Secretary may, in consultation with the tenants of that property, contract for project-based rental assistance payments with an owner or owners of other existing housing properties, or provide other rental assistance. The Secretary shall report semi-annually on all properties covered by this section that are assessed through the Real Estate Assessment Center and have physical inspection scores of less than 30 or have consecutive physical inspection scores of less than 60. The report shall include:

(1) The enforcement actions being taken to address such conditions, including imposition of civil money penalties and termination of subsidies, and identify properties that have such conditions multiple times; and

(2) Actions that the Department of Housing and Urban Development is taking to protect tenants of such identified properties.

**SEC. [231]217.** [None of the funds made available by this Act, or any other Act, for purposes authorized under section 8 (only with respect to the tenant-based rental assistance program) and section 9 of the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.), may be used by any public housing agency for any amount of salary, for the chief executive officer of which, or any other official or employee of which, that exceeds the annual rate of basic pay payable for a position at level IV of the Executive Schedule at any time during any public housing agency fiscal year 2014.] *PHA COMPENSATION.—Section 2(b) of the United States Housing Act of 1937 (42 U.S.C. 1437(b)) is amended by adding the following new paragraph at the end:*

*"(4) SALARY.—*

*"(A) GENERAL.—This paragraph establishes the maximum salary that a public housing agency may provide to its employees and the maximum*

*annual contract amounts that may be paid to its contract personnel using funds provided under this Act. A public housing agency shall use the same salary structure as described in this paragraph and follow the requirements of uniform administrative rules for Federal grants and cooperative agreements and principles and standards for determining costs for Federal awards for all payments that it makes to its employees and for personnel hired as contractors when funds provided under this Act are used for such payments.*

*"(B) SALARY STRUCTURE.—*

*"(i) The base salary of public housing agency employees and the contract amount paid to contracted personnel from funds provided under this Act shall be based on the Federal General Schedule (GS) basic rate of pay, including locality adjustment, established under sections 5303 and 5304 of title 5, United States Code as follows:*

*"(I) For public housing agencies with fewer than 250 total units (public housing and section 8 housing vouchers), the base salary of a public housing agency employee or total annual payment to each contracted personnel shall not exceed the basic rate of pay, including a locality adjustment, for GS-11, step 10;*

*"(II) For public housing agencies with 250 to 1249 total units (public housing and section 8 housing vouchers), the base salary of a public housing employee or total annual payment to each contracted personnel shall not exceed the basic rate of pay, including locality adjustment, for GS-13, step 10;*

*"(III) For public housing agencies with 1250 or more total units (public housing and section 8 housing vouchers), the base salary of a public housing agency employee or total annual payment to each contracted personnel shall not exceed the basic rate of pay, including locality adjustment, for GS-15, step 10.*

*"(ii) Any amount of salary paid to an employee or of total annual payment to each contracted personnel that exceeds the amount provided under the structure of this paragraph must be from non-Federal non-Act sources.*

*"(iii) The salary structure provided in subparagraph (B)(i) shall be subject to any requirements that may be established for the General Schedule by an appropriations Act or by Presidential executive order for any Federal fiscal year.*

*"(iv) A public housing agency must certify that it has established detailed performance measures that describe how public housing agency employees or personnel hired as contractors may receive a salary or contract increase within the limits of subparagraph (B)(i). The certification shall be transmitted to the Secretary in a format as determined by the Secretary.*

*"(C) DEFINITIONS.—For purposes of this section—*

*"(i) Employee includes any member of a public housing agency organization whose salary is paid in whole or in part from funds provided under this Act, and regardless of whether such employee is full-time or part-time, temporary or permanent.*

*"(ii) Contracted personnel includes any member of a public housing agency organization whose position is procured under uniform administrative rules for Federal grants and cooperative agreements and who is paid in whole or in part from funds provided under this Act, and regardless of whether such individual is full-time or part-time, hourly, temporary or permanent. No such position shall be for a period beyond 5 years without re-procurement.*

*"(iii) Salary includes the annual basic rate of pay, including a locality adjustment, as provided in sub-paragraph (B) and any additional adjustments, such as may be provided for overtime or shift differentials, bonuses, or contract payments including bonuses. Salary does not include fringe benefits as defined in principles and standards for determining costs for Federal awards."*

**[SEC. 232.** Title II of division K of Public Law 110–161 is amended by striking the item related to "Flexible Subsidy Fund".]

**[SEC. 233.** Paragraph (1) of section 242(i) of the National Housing Act (12 U.S.C. 1715z-7(i)(1)) is amended by striking "July 31, 2011" and inserting "July 31, 2016".]

**[SEC. 234.** Section 24 of the United States Housing Act of 1937 (42 U.S.C. 1437v) is amended—

(1) in subsection (m)(1), by striking "fiscal year" and all that follows through the period at the end and inserting "fiscal year 2014."; and

(2) in subsection (o), by striking "September" and all that follows through the period at the end and inserting "September 30, 2014.".]

SEC. [235]218. Of the amounts made available for salaries and expenses under all accounts under this title (except for the Office of Inspector General account), a total of up to **[\$5,000,000] \$10,000,000** may be transferred to and merged with amounts made available in the "Information Technology Fund" account under this title.

SEC. 236. The proviso under the "Community Development Fund" heading in Public Laws 109–148, 109–234, 110–252, and 110–329 which requires the Secretary to establish procedures to prevent duplication of benefits and to report to the Committees on Appropriations on all steps to prevent fraud and abuse is amended by striking "quarterly" and inserting "annually".

SEC. [237]219. None of the funds in this Act may be available for the doctoral dissertation research grant program at the Department of Housing and Urban Development.

SEC. 238. (a) Section 3(b) of the United States Housing Act of 1937 (42 U.S.C. 1437a) is amended—

(1) in paragraph (2), by designating the first sentence as subparagraph (A), the second sentence as subparagraph (B), and the remaining sentences as subparagraph (D), and by inserting after subparagraph (B) the following new subparagraph (C):

"(C) The term extremely low-income families means very low-income families whose incomes do not exceed the higher of—

"(i) the poverty guidelines updated periodically by the Department of Health and Human Services under the authority of section 673(2) of the Community Services Block Grant Act applicable to a family of the size involved (except that this clause shall not apply in the case of public housing agencies or projects located in Puerto Rico or any other territory or possession of the United States); or

"(ii) 30 percent of the median family income for the area, as determined by the Secretary, with adjustments for smaller and larger families (except that the Secretary may establish income ceilings higher or lower than 30 percent of the median for the area on the basis of the Secretary's findings that such variations are necessary because of unusually high or low family incomes)."; and

(b) Section 16 of the United States Housing Act of 1937 (42 U.S.C. 1437n) is amended—

(1) in subsection (a)(2)(A);

(2) in subsection (b)(1); and

(3) in subsection (c)(3), by striking "families whose incomes" and all that follows through "low family incomes" and inserting "extremely low-income families".

SEC. [239]220. RENTAL ASSISTANCE DEMONSTRATION AMENDMENTS.

The language under the heading Rental Assistance Demonstration in the Department of Housing and Urban Development Appropriations Act, 2012 (Public Law 112–55), is amended [in the penultimate proviso by striking "and 2013," and inserting "through December 31, 2014"] by —

(a) striking "(except for funds allocated under such section for single room occupancy dwellings as authorized by title IV of the McKinney-Vento Homeless Assistance Act)" in both places it appears;

(b) in the second proviso, striking "2015" and inserting "2018";

(c) striking the fourth proviso;

(d) in the penultimate proviso—

(1) striking "December 31, 2014" and inserting "2016";

(2) inserting "a long-term project-based subsidy contract under section 8 of the Act with rent adjustments only by an operating cost factor established by the Secretary, which shall be eligible for renewal under section 524 of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note), or to assistance under" following "vouchers to assistance under";

(e) inserting the following proviso before the final proviso:

"Provided further, That the Secretary may transfer amounts remaining on any contract converted under the previous proviso, amounts available under the "Rental Housing Assistance" account, and amounts available for tenant protection vouchers under the "Tenant-Based Rental Assistance" account, to the "Project-Based Rental Assistance" account to facilitate any such conversion under the previous proviso, and any increase in cost for project-based rental assistance associated with any such conversion shall be equal to any such amounts transferred."; and

(f) in the final proviso, striking "proviso" both places it appears and inserting "two provisos" in both such places.

SEC. 240. None of the funds in this Act provided to the Department of Housing and Urban Development may be used to make a grant award unless the Secretary notifies the House and Senate Committees on Appropriations not less than 3 full business days before any project, State, locality, housing authority, tribe, nonprofit organization, or other entity selected to receive a grant award is announced by the Department or its offices.]

SEC. 241. Section 202(f)(2) of the Housing Act of 1959 (12 U.S.C. 1701q(f)(2)) is amended—

(a) in paragraph (A)—

(1) by striking the matter before clause (i) and inserting the following: "The Secretary shall establish procedures to delegate the award, review and processing of projects, selected by the Secretary in a national competition, to a State or local housing agency that—"; and

(2) in clause (iii), by striking "capital advance" and inserting "funding", and by replacing the comma with a semi-colon;

(b) in subparagraph (B), by striking "capital advances" and inserting "funding under this section";

(c) in subparagraph (C), by striking the first sentence;

(d) by redesignating subparagraph (D) as subparagraph (E), and in the redesignated subparagraph (E)—

(1) by striking "a capital advance" and inserting "funding under this section"; and

(2) by striking "capital advance amounts or project rental assistance" and inserting "funding under this section"; and

(e) by inserting the following new subparagraph after subparagraph (C):

"(D) Assistance under subsection (c)(2) may be provided for projects which identify in the application for assistance a defined health and other supportive services program including sources of financing the services for eligible residents and memoranda of understanding with service provision agencies and organizations to provide such services for eligible residents at their request. Such supportive services plan and memoranda of understating shall—

"(i) identify the target populations to be served by the project;

"(ii) set forth methods for outreach and referral;

"(iii) identify the health and other supportive services to be provided; and

"(iv) identify the terms under which such services will be made available to residents of the project.".]

SEC. 242. Section 8(o)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)(2)), is amended by adding at the end the following new subparagraph:

["(D) UTILITY ALLOWANCE.—

"(i) GENERAL.—In determining the monthly assistance payment for a family under subparagraphs (A) and (B), the amount allowed for tenant-paid utilities shall not exceed the appropriate utility allowance for the family unit size as determined by the public housing agency regardless of the size of the dwelling unit leased by the family.

"(ii) EXCEPTION FOR FAMILIES IN INCLUDING PERSONS WITH DISABILITIES.—Notwithstanding subparagraph (A), upon request by a family that includes a person with disabilities, the public housing agency shall approve a utility allowance that is higher than the applicable amount on the utility allowance schedule if a higher utility allowance is needed as a reasonable accommodation to make the program accessible to and usable by the family member with a disability.".]

SEC. 243. The Secretary shall establish by notice such requirements as may be necessary to implement sections 210, 212, 220, 238, and 242 under this title and the notice shall take effect upon issuance: *Provided*, That the Secretary shall commence rulemaking based on the initial notice no later than the expiration of the 6-month period following issuance of the notice and the rulemaking shall allow for the opportunity for public comment.]

SEC. 221. Notwithstanding any provision of the United States Housing Act of 1937 concerning the determination of tenant rent obligations, and of section 23 of such Act (42 U.S.C. 1437u) concerning deposits to escrow accounts, the Secretary may, during the 5-year period beginning on the date of enactment of this Act, allow the use of funds made available by the Secretary to public housing agencies to carry out rent policy demonstrations involving a limited number of families assisted under the 1937 Act, for the purpose of determining the effectiveness of different rent policies in encouraging families to obtain employment, increase their incomes,

and achieve economic self-sufficiency, while reducing administrative burdens and maintaining housing stability. Such demonstrations shall include public housing agencies of various sizes, and may include providing income disregards, family self-sufficiency accounts, and policies under which families pay rent in amounts different from 30 percent of their adjusted income. The Secretary shall publish a report regarding the results and effectiveness of any demonstrations conducted under the authority of this section.

SEC. 222. EXCEPTION TO AFFORDABLE HOUSING QUALIFICATION FOR MULTIFAMILY HOUSING SECURING LOANS MADE BY CERTAIN ENTITIES. Section 542(b)(9) of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z-22(b)(9)) is amended at the end by inserting after the period the following: "This requirement does not apply to housing securing loans made to increase the availability of capital to small multifamily rental properties by entities approved by the Secretary as having demonstrated experience in making loans for low and moderate income multifamily housing."

SEC. 223. Section 314 of the Department of Housing and Urban Development Appropriations Act, 2006, is repealed.

SEC. 224. Subsection (g) of section 9 of the United States Housing Act of 1937 (42 U.S.C. 1437g(g)) is amended by— (a) striking paragraphs (1) and (2) and inserting the following new paragraph:

"(1) FULL FLEXIBILITY OF CAPITAL AND OPERATING FUND AMOUNTS.—The Secretary shall provide, by notice published in the Federal Register, that of any amounts allocated for any fiscal year from the funds under subsections (d) and (e) for any public housing agency that is not designated pursuant to section 6(j)(2) as a troubled public housing agency and that, in the determination of the Secretary is operating and maintaining its public housing in a safe, clean, and healthy condition, the agency may use any such amounts for any eligible activities under subsections (d)(1) and (e)(1), regardless of the fund from which the amounts were allocated and provided."; and

(b) redesignating paragraph (3) as paragraph (2).

SEC. 225. GINNIE MAE SECURITIZATION.—

(a) Paragraph (8) of section 542(b) of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z-22(b)) is amended in its title by deleting "Prohibition on" and in its text by revising it to read as follows:

"The Government National Mortgage Association shall not securitize any multifamily loans insured or reinsured under this subsection, except as provided herein. The Government National Mortgage Association may, at the discretion of the Secretary, securitize any multifamily loan, provided that—

"(A) the Federal Housing Administration provides mortgage insurance based on the unpaid principal balance of the loan, as shall be described in the Risk Share Agreement;

"(B) the Federal Housing Administration shall not require an assignment fee for mortgage insurance claims related to the securitized mortgages; and

"(C) any successors and assigns of the risk share partner (including the holders of credit instruments issued under a trust mortgage or deed of trust pursuant to which such holders act by and through a trustee therein named) shall not assume any obligation under the risk-sharing agreement and may assign any defaulted loan to the Federal Housing Administration in exchange for payment of the mortgage insurance claim.

The risk-sharing agreement must provide for reimbursement to the Secretary by the risk share partner(s) for either all or a portion of the losses incurred on the loans insured."

(b) Paragraph (6) of section 542(c) of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z-22(c)) is amended in its title by deleting "Prohibition on" and in its text by revising it to read as follows:

"The Government National Mortgage Association may, at the discretion of the Secretary, securitize any multifamily loan insured under this subsection, provided that—

"(A) the Federal Housing Administration provides mortgage insurance based on the unpaid principal balance of the loan, as shall be described by regulation;

"(B) the Federal Housing Administration shall not require an assignment fee for mortgage insurance claims related to the securitized mortgages; and

"(C) any successors and assigns of the risk share partner (including the holders of credit instruments issued under a trust mortgage or deed of trust pursuant to which such holders act by and through a trustee therein named) shall not assume any obligation under the risk-sharing agreement and may assign any defaulted loan to the Federal Housing Administration in exchange for payment of the mortgage insurance claim. The risk-sharing agreement must provide for reimbursement to the Secretary by the risk share partner(s) for either all or a portion of the losses incurred on the loans insured."

(c) Clause (ii) of the first sentence of section 306(g)(1) of the National Housing Act (12 U.S.C. 1721(g)(1)) is amended by striking the semicolon and inserting a comma, and by inserting before the period at the end the following: ", or which are insured under subsection (b) or (c) of section 542 of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z-22), subject to the terms of paragraph (8) and (6), respectively, of such subsection".

SEC. 226. SHOP AMENDMENTS. — Section 11 of the Housing Opportunity Program Extension Act of 1996 (42 U.S.C. 12805 note) is amended—

(1) in subsection (d)(2) by adding at the end the following new subparagraph:

"(C) PLANNING, ADMINISTRATION, AND MANAGEMENT. Planning, administration, and management of grant programs and activities, provided that such expenses do not exceed 20 percent of any grant made under this section.";

(2) in subsection (i)(5) by—

(A) striking "24" and inserting "36"; and

(B) striking "except that" and all that follows through "such grant amounts";

(3) in subsection (j) by—

(A) inserting after the heading "(1) REDISTRIBUTION OF FUNDS.";

(B) striking "24" and inserting "36";

(C) striking "(or, in the case" and all that follows through "within 36 months"; and

(D) adding at the end the following new paragraph:

"(2) DEADLINE FOR COMPLETION AND CONVEYANCE. — The Secretary shall establish a deadline (which may be extended for good cause as determined by the Secretary) by which time all units that have been assisted with grant funds under this section must be completed and conveyed.";

(4) by striking subsection (q).

SEC. 227. FAIR MARKET RENTS. — Paragraph (1) of section 8(c) of the United States Housing Act of 1937 (42 U.S.C. 1437) is amended—

(a) by inserting "(A)" after the paragraph designation;

(b) by striking the fourth, seventh, eighth, and ninth sentences; and

(c) by adding at the end the following:

"(B) Publication of Fair Market Rentals.— Not less than annually:

"(1) The Secretary shall publish a notice in the Federal Register that proposed fair market rentals for an area have been published on the site of the Department on the Internet and in any other manner specified by the Secretary. Such notice shall describe proposed material changes in the methodology for estimating fair market rentals and shall provide reasonable time for public comment.

"(2) The Secretary shall publish a notice in the Federal Register that final fair market rentals have been published on the site of the Department on the internet and in any other manner specified by the Secretary. Such notice shall include the final decisions regarding proposed substantial methodological changes for estimating fair market rentals and responses to public comments."

SEC. 228. Section 255 of the National Housing Act (12 U.S.C. 1715z-20) is amended—

(a) in subsection (b)(1) by inserting before the period ", except that the term mortgagor shall not include the successors and assigns of the original borrower under a mortgage"; and

(b) in subsection (j) to read as follows: "(j) SAFEGUARD TO PREVENT DISPLACEMENT OF HOMEOWNER.—In order for a mortgage to be eligible for insurance under this section, the mortgage shall provide that the obligation of the mortgagor to satisfy the loan obligation is deferred until the death of the mortgagor, the sale of the home, or the occurrence of other events specified in regulations of the Secretary. Section 1647(b) of title 15 and any implementing regulations issued by the Board of Governors of the Federal Reserve System shall not apply to a mortgage insured under this section."

**SEC. 229. HOUSING COUNSELING AMENDMENTS—**

(a) Section 106 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x) is amended—

(1) by adding at the end the following new subsection: "(j) **FINANCIAL ASSISTANCE.** For purposes of this section, the Secretary may enter into multiyear agreements as is appropriate, subject to the availability of annual appropriations.";

(2) in subsection (e)(2) by adding at the end of paragraph (2) the following sentence: "These standards may provide that an individual may also show competence to provide counseling by having successfully completed training in each of the six areas."; and

(3) in subsection (f)—

(A) in paragraph (1), by inserting "or entities" after "(which may be a nonprofit organization)"; and

(B) in paragraphs (3) through (6), by inserting "or entities" after the word "entity" each place such word appears.

(b) Section 4(g)(3)(A) of the Department of Housing and Urban Development Act (42 U.S.C. 3533(g)(3)(A)) is amended by—

(1) in clause (i), striking "and";

(2) in clause (ii), striking the period at the end and inserting "; and"; and

(3) adding at the end the following clause: "(iii) to accept and retain, on behalf of the Secretary, and subject to procedures established by the Secretary, funds from private entities, including mortgage lenders and servicers, and any funds made available to the Director pursuant to the settlement of any legal proceedings, to be distributed and used for housing counseling activities under section 106 of the Housing and Urban Development Act of 1968."

**SEC. 230.** (a) Subsection (b) of section 225 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12755) is amended by adding at the end the following new sentence: "Such 30-day waiting period is not required if the grounds for the termination or refusal to renew involve a direct threat to the safety of the tenants or employees of the housing, or an imminent and serious threat to the property (and the termination or refusal to renew is in accordance with the requirements of State or local law)."

(b) Section 231 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12771) is amended—

(1) in subsection (b) by striking "make such funds available by direct reallocation" and all that follows through "were recaptured" and inserting "reallocate the funds by formula in accordance with section 217(d) of this Act (42 U.S.C. 12747(d))"; and

(2) by striking subsection (c).

(c) Section 104(6) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12704) is amended by adding at the end of the undesignated matter after subparagraph (D) the following sentence: "In the case of an organization funded by the State under title II of this Act, the organization may serve all counties within the State."

(d) Section 216 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12746) is amended—

(1) in paragraph (3) by striking "Except as provided in paragraph (10), a" and inserting "A";

(2) in paragraph (8) by striking "subsequent" and inserting "five";

(3) by amending paragraph (9) to read as follows:

"(9) **REVOCATION.**—

"(A) The Secretary may revoke the designation of a jurisdiction as a participating jurisdiction if the Secretary finds, after reasonable notice and opportunity for hearing, that the jurisdiction is unwilling or unable to carry out the provisions of this title. Any remaining line of credit in the HOME Investment Trust Fund established for the jurisdiction under section 218 shall be reallocated in accordance with paragraph (6) of this section.

"(B) The Secretary shall revoke the designation of a jurisdiction as a participating jurisdiction if the allocation for the jurisdiction falls below \$500,000 for 3 years during the period in paragraph (8)."; and

(4) by striking paragraph (10).

(e) Section 217(b) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12747(b)) is amended—

(1) in paragraph (3) by striking ", except as provided in paragraph (4)"; and

(2) by striking paragraph (4).

**SEC. 231.** Subsection 3(b) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)) is amended by revising subparagraph (ii) of paragraph (5)(A) to read as follows:

"(ii) **HEALTH AND MEDICAL EXPENSES.**—The amount, if any, by which 10 percent of annual family income is exceeded by the sum of—

(I) in the case of any elderly or disabled family, any unreimbursed health and medical care expenses; and

(II) any unreimbursed reasonable attendant care and auxiliary apparatus expenses for each handicapped member of the family to the extent necessary to enable any member of such family to be employed."

**SEC. 232. MULTIFAMILY PERFORMANCE-BASED ENERGY CONSERVATION DEMONSTRATION.**—

(a) **PURPOSE.**—The purpose of this demonstration is to authorize the Secretary of the Department of Housing and Urban Development (hereinafter referred to as "the Secretary") to test a performance-based model program that facilitates financing of energy and water conservation improvements in assisted multifamily housing with the intent of reducing the utility costs of such housing.

(b) **PROGRAM AUTHORITY.**—In accordance with the provisions of this section, the Secretary may execute performance-based agreements in fiscal years 2015 through 2017 to provide energy and water conservation improvements for up to 20,000 units in eligible multifamily properties. The Secretary may use funds made available under the heading "Project-Based Rental Assistance" for such agreements in each fiscal year that such agreements are executed or in effect.

(c) **BUDGET NEUTRALITY.**—The demonstration shall be budget neutral, so that the utility costs subsidized by the Secretary and the performance payments under the performance-based agreements for the participating properties are not more than the utility costs subsidized by the Secretary would have been for such properties in the absence of this demonstration.

(d) **ELIGIBLE ENTITIES.**—

(1) **IN GENERAL.**—The Secretary may execute performance-based agreements under this section with entities that provide services or that arrange for the provision of services and, upon receipt of payments under the agreement, disburse such payments in accordance with the agreement.

(2) **SELECTION OF ELIGIBLE ENTITIES.**—The Secretary may select eligible entities by competition or a formula based on an eligibility threshold.

(e) **TERMS OF PERFORMANCE-BASED AGREEMENTS.**—A performance-based agreement under this section shall include—

(1) the period that the agreement will be in effect and during which payments may be made, which may be a term of up to 12 years;

(2) the performance measures that will serve as payment thresholds during the term of the agreement;

(3) an audit protocol for the properties covered by the agreement;

(4) a requirement that payments shall be contingent on realized cost savings associated with reduced utility consumption in the participating properties; and

(5) such other requirements and terms as determined to be appropriate by the Secretary.

(f) **IMPLEMENTATION.**—This section shall be implemented in accordance with such procedures, terms, requirements, and conditions as the Secretary shall, by notice, provide.

(g) **EVALUATION AND REPORT.**—The Secretary shall conduct an evaluation of the use of the authority under this section every 5 years after the execution of the first agreement under this section and within 2 years of the expiration of the last agreement executed under this section, and report such findings to Congress.

**SEC. 233. LIHPRHA FLEXIBILITY.** Section 219(a) of the Low Income Housing Preservation and Resident Homeownership Act of 1990 (12 U.S.C. 4109) is amended by—

(a) striking "AGREEMENTS BY THE SECRETARY.—After" and inserting "AGREEMENTS BY THE SECRETARY.—"(1) After";

(b) redesignating paragraphs (1), (2), and (3) as subparagraphs (A), (B), and (C), respectively; and

(c) adding after the newly designated paragraph (1) the following new paragraph:

"(2) As determined by the Secretary of Housing and Urban Development and notwithstanding section 222(a)(2)(A) (12 U.S.C. 4112(a)(2)(A)), at the request of any owner refinancing, or any qualified purchaser of eligible low-income housing that is subject to a use agreement pursuant to

such Acts, the Secretary may amend the use agreement or other governing documents for such housing in order to terminate or modify any limitations on prepayments and periodic distributions of surplus cash generated by such housing in accordance with section 220(d)(2)(E) (12 U.S.C. 4110(d)(2)(E)) to facilitate the preservation of the housing through acquisition or refinancing as affordable housing, provided that the property is covered by a use agreement for 20 years beyond the date of acquisition or refinancing, and that the owner or purchaser of such housing agrees to renew the existing project-based Housing Assistance Payments contract pursuant to section 524 of the Multifamily Assisted Housing and Affordability Act of 1997, as amended (42 U.S.C. 1437f note) for a term to be determined by the Secretary."

SEC. 234. Subsection (a) of section 1018 of the Housing and Community Development Act of 1992 (42 U.S.C. 4852d), is amended by adding after paragraph 5 the following new paragraph:

"(6) AUTHORITY OF THE SECRETARY.—

"(A) INVESTIGATIONS.—The Secretary is authorized to conduct such investigations as may be necessary to administer and carry out his duties under this section. The Secretary is authorized to administer oaths and require by subpoena the production of documents, and the attendance and testimony of witnesses as the Secretary deems advisable. Nothing contained in this subparagraph shall prevent the Administrator of the Environmental Protection Agency from exercising authority under the Toxic Substances Control Act or this Act.

"(B) ENFORCEMENT.—Any district court of the United States within the jurisdiction of which an inquiry is carried, on application of the Attorney General, may, in the case of contumacy or refusal to obey a subpoena of the Secretary issued under this section, issue an order requiring compliance therewith; and any failure to obey such order of the court may be punished by the court as a contempt thereof."

SEC. 235. NONPROFITS ADMINISTERING RENTAL ASSISTANCE. Section 423(g) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11383(g)) is amended by inserting "private nonprofit organization," after "unit of general local government,".

SEC. 236. Section 184(b)(4) of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z-13a(b)(4)) is amended by adding at the end the following new subparagraphs:

"(E) The Secretary may authorize qualifying lenders to participate in a direct guarantee process for approving loans. If the Secretary determines that a mortgage insured through the direct guarantee process was not originated in accordance with the requirements established by the Secretary, then the Secretary may require the lender approved under this subparagraph to indemnify the Secretary for the loss, irrespective of whether the violation caused the mortgage default. If fraud or misrepresentation was involved in the direct guarantee process, the Secretary shall require the lender approved under this subparagraph to indemnify the Secretary for the loss regardless of when an insurance claim is paid.

"(F) Periodically, the Secretary may review the mortgagees originating or underwriting single family mortgages under this section, as follows:

"(i) In conducting this review the Secretary shall compare that mortgagee with other mortgagees originating or underwriting loan guarantees for Indian housing based on the rates of defaults and claims for insured single family mortgage loans originated or underwritten by that mortgagee.

"(ii) The Secretary may also compare that mortgagee with such other mortgagees based on underwriting quality; geographic area served; or any commonly used factors the Secretary deems necessary for comparing mortgage default risk, provided that such comparison is of factors that the Secretary would expect to reduce the default risk of mortgages insured by the Secretary.

"(iii) In carrying out the periodic review of mortgagee performance, the Secretary shall implement such comparisons by regulation, notice, or mortgagee letter.

"(iv) The Secretary may terminate the approval of a mortgagee to originate or underwrite loan guarantees for Indian Housing if the Secretary

determines that the mortgage loans originated or underwritten by the mortgagee present an unacceptable risk to the Indian Housing Loan Guarantee fund based on a comparison of any of the factors set forth in this subparagraph or by a determination that the mortgagee engaged in fraud or misrepresentation."

SEC. 237. Section 184(h)(1)(B) of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z-13a(h)(1)(B)) is amended by inserting after the first sentence the following: "Exhausting all reasonable possibilities of collection by the holder of the guarantee shall include a good faith consideration of loan modification as well as meeting standards for servicing loans in default, as determined by the Secretary."

SEC. 238. Section 184(l)(3) of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z-13a(l)(3)) is amended to read as follows: "(3) The term "Indian" has the same definition as in section 4(10) of the Native American Housing Assistance and Self-Determination Act of 1996."

SEC. 239. Section 184(l)(8) of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z-13a(l)(8)) is amended to read as follows:

"(8) Indian tribe.—

"(A) INDIAN TRIBE.—The term "Indian tribe" has the same definition as in section 4(13)(A) of the Native American Housing Assistance and Self-Determination Act of 1996.

"(B) FEDERALLY RECOGNIZED TRIBE.—The term "Federally recognized tribe" has the same definition as in section 4(13)(B) of the Native American Housing Assistance and Self-Determination Act of 1996.

"(C) STATE-RECOGNIZED TRIBE.—The term "State-recognized tribe" has the same definition as in section 4(13)(C)(i) of the Native American Housing Assistance and Self-Determination Act of 1996.

"(D) CONDITIONS.—Nothing in paragraph (C) shall be construed to confer upon a State-recognized tribe any rights, privileges, responsibilities, or obligations otherwise accorded Indian tribes recognized by the United States for other purposes."

SEC. 240. Section 579 of the Multifamily Assisted Housing Reform and Affordability Act (MAHRA) of 1997 (42 U.S.C. 1437f note) is amended by striking "October 1, 2015" each place it appears and inserting in lieu thereof "October 1, 2018".

SEC. 241. The fifth sentence in the second undesignated paragraph after section 221(f) of the National Housing Act (12 U.S.C. 1715l(f)) is amended by inserting "or subsection (d)(4)" after "subsection (d)(3)".

SEC. 242. Section 221 of the National Housing Act (12 U.S.C. 1715l) is amended by striking subsection (g)(4).

SEC. 243. Notwithstanding section 24(o) of the United States Housing Act of 1937 (42 U.S.C. 1437v(o)), amounts made available in prior appropriations Acts under the heading "Revitalization of Severely Distressed Public Housing (HOPE VI)" or under the heading "Choice Neighborhoods Initiative" may continue to be provided as assistance pursuant to such section.

SEC. 244. Section 202 of the National Housing Act (12 U.S.C. 1708) is amended by adding at the end the following new subsection:

"(i) ADMINISTRATION.—Notwithstanding any provision of law, and in addition to any other fees charged in connection with the provision of insurance under this title, in each fiscal year the Secretary may charge and collect a fee not to exceed 4 basis points of the original principal balance of mortgages originated by the mortgagee that were insured under this title during the previous fiscal year. Such fee collected from each mortgagee shall be used as offsetting collections for part of the administrative contract expenses funding and any necessary salaries and expenses funding provided under the Mutual Mortgage Insurance Program Account under this title. The Secretary may establish the amount of such fee through regulations, notice, Mortgagee Letter, or other administrative issuance."

SEC. 245. Notwithstanding Section 620(d)(2) of the National Manufactured Housing Construction and Safety Standards Act of 1974, as amended (42 U.S.C. 5419(d)(2)), the Secretary may modify fees authorized under Section 620 of such Act by notice published in the Federal Register. (Department of Housing and Urban Development Appropriations Act, 2014.)